



**Consolidated Annual Performance and
Evaluation Report for
Montgomery County, Maryland**

**Program Year 2009 / County Fiscal Year 2010
July 1, 2009 - June 30, 2010**

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Consolidated Annual Performance and Evaluation Report for Montgomery County, Maryland

Consolidated Plan

Background

The United States Department of Housing and Urban Development (HUD) has approved the Consolidated Plan for Montgomery County dated May 15, 2010. This plan sets forth overall priority needs for community development, including affordable and supportive housing; it also identifies the needs of special populations, such as the homeless and persons with disabilities. The Consolidated Plan provides a comprehensive strategy for addressing identified needs that relies on both public and private resources and participation by and coordination with all interested parties, with an emphasis on citizen input. A federally-approved plan is required of all States and local jurisdictions entitled to receive federal funds under the following programs:

- Community Development Block Grant (CDBG)
- Emergency Shelter Grant (ESG)
- HOME Investment Partnership (HOME)
- Housing Opportunities for Persons with Aids (HOPWA)

Each year the County develops an annual action plan that provides specific information on activities to be funded during the fiscal year to address priority needs identified in the Consolidated Plan. Then, by September 30th of each year, the County reports to residents and to HUD on how federal funds were spent and what was accomplished during the previous fiscal year.

This report covers the fiscal year July 1, 2009 – June 30, 2010. During this period, Montgomery County was eligible for funds totaling approximately \$6,219,257 from CDBG, ESG and HOME. As for HOPWA, the program was established by HUD to address the specific housing and service needs of persons living with HIV/AIDS and their families. The City of Frederick has been designated as a formula grantee for HOPWA funds on behalf of the Bethesda-Frederick-Gaithersburg Metropolitan Division.

Summary of Resources and Distribution of Funds

During the fiscal year the following funding was available to the County:

Community Development Block Grant (CDBG) \$5,904,781 (including \$762,507 in program income)

Emergency Shelter Grant (ESG) \$225,636

HOME Investment Partnership (HOME) \$2,828,074 (including \$323,351 in program income)

During the fiscal year \$7,439,731 was committed.

During the fiscal year \$6,773,423 was expended.

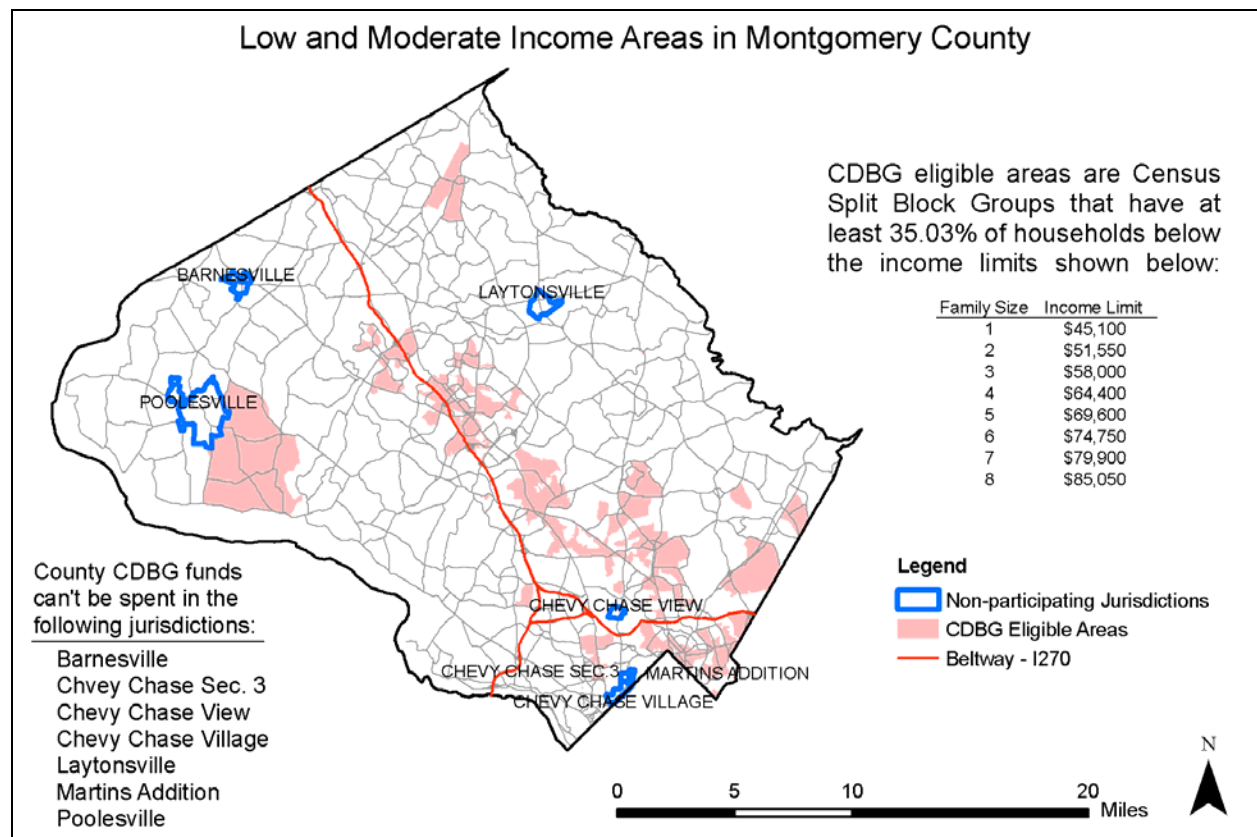
Funds were expended throughout the County. A map of the low and moderate income areas in the County is provided below.

An updated CDBG Financial Summary (C04PR26) is included in the Appendix to this report.

Action Plan

This report covers those activities funded through the CDBG, HOME, and ESG programs in Montgomery County for the period July 1, 2009 – June 30, 2010. More detailed information is available by activity and grant year through use of HUD's Integrated Disbursement and Information System. If you would like more detail about any activity reported here, please contact Matt Greene, Senior Planner on the Grants Administration and Special Projects Section staff at 240-777-3631.

For the Fiscal Year July 1, 2009 – June 30, 2010, there was funding for the following activities. Please note a concerted effort was made to receive and process all invoices for activity through June 30, 2010. However, it may be necessary to make adjustments to the expenditures below to account for invoices not submitted in a timely manner.



**Community Development Block Grant (CDBG)
July 1, 2009 - June 30, 2010**

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) \$5,904,781

The county received \$5,142,274 in CDBG funds for Program Year 2009 / local Fiscal Year 2010 (July 1, 2009 – June 30, 2010) and program income of \$762,507, providing a total of \$5,904,781 in CDBG funds available for the following activities.

CAPITAL IMPROVEMENTS PROJECTS

Fenton Street Village Pedestrian Linkages \$50,000

This project provides funds for pedestrian links in the commercial area located along the eastern edge of the Silver Spring Central Business District and is an extension of the streetscape program that is being implemented in the area. The extended pedestrian network will ensure safe pedestrian connections from the public parking facilities in the interior of each city block to the businesses on Georgia Avenue, Fenton Street and the side streets.

| | |
|---|-----------------------------|
| <i>Performance Measurement Objective:</i> | Suitable Living Environment |
| <i>Amount Expended:</i> | \$0 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project underway |
| <i>Total funding available:</i> | \$50,000 |
| <i>Persons/households assisted:</i> | 2,375 |

Long Branch Pedestrian Linkages \$870,000

This project will provide for a series of linkages in the Long Branch community that will connect the high-density residential areas with the Village Center and other key activity/service centers such as the Long Branch Library and the Long Branch Community Center. Significantly, a new ADA accessible bridge will provide a safe, pedestrian accessible link between the Community Center and the Library. It will also stabilize, protect, and enhance existing streamside areas and preserve the natural character of the stream valley and improve pedestrian and bike circulation and accessibility in the Long Branch Village Center by connecting single-family and multi-family housing to playgrounds, the library and the community center pool complex.

| | |
|---|-----------------------------|
| <i>Performance Measurement Objective:</i> | Suitable Living Environment |
| <i>Amount Expended:</i> | \$52,000 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project underway |
| <i>Total funding available:</i> | \$818,000 |
| <i>Persons/households assisted:</i> | 8,117 |

South Silver Spring Pedestrian Linkages \$680,000

This project provides for a series of pedestrian links through large, awkwardly-shaped city blocks in South Silver Spring that will improve connections between existing businesses, parking and Montgomery College, and planned, new commercial development, and over 1,000 new housing units. The objective is to overcome the

inconvenience and isolation created by the unusually large block pattern in the area. These links will be created partly on Parking Lot District property and partly on private land.

| | |
|---|-----------------------------|
| <i>Performance Measurement Objective:</i> | Suitable Living Environment |
| <i>Amount Expended:</i> | \$ |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project underway |
| <i>Total funding available:</i> | \$ |
| <i>Persons/households assisted:</i> | N/A |

Facility Planning **\$100,000**

A total of \$100,000 will be used to conduct preliminary planning and design studies for a variety of projects dispersed throughout the County for possible inclusion in a future capital budget.

| | |
|---|-----------------------------|
| <i>Performance Measurement Objective:</i> | Suitable Living Environment |
| <i>Amount Expended:</i> | \$ |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project underway |
| <i>Total funding available:</i> | \$ |
| <i>Persons/households assisted:</i> | N/A |

PROJECTS ADMINISTERED BY COUNTY GOVERNMENT

Department of Housing and Community Affairs (DHCA)

Façade Improvement, Sign and Canopy Program **\$50,000**

A total of \$145,324 will be used to improve commercial building facades through loans to owners of older commercial properties in targeted areas to make needed improvements.

| | |
|---|----------------------|
| <i>Performance Measurement Objective:</i> | Economic Opportunity |
| <i>Amount Expended:</i> | \$0 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project underway |
| <i>Total funding available:</i> | \$50,000 |
| <i>Persons/households assisted:</i> | 2,375 |

Comprehensive Neighborhood Assistance **\$50,000**

A total of \$50,000 will fund services and/or physical improvements in conjunction with other public and private initiatives in older, moderate-income neighborhoods to enhance the quality of life and address residents' concerns.

| | |
|---|-----------------------------|
| <i>Performance Measurement Objective:</i> | Suitable Living Environment |
| <i>Amount Expended:</i> | \$10,000 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$40,000 |

Persons/households assisted: 2,375

Demolition **\$30,000**

A total of \$30,000 will be used to demolish condemned structures in the county.

Performance Measurement Objective: Decent Housing
Amount Expended: \$0
Outcome: affordability
Outcome Statement: Project Underway
Total funding available: \$30,000
Persons/households assisted: N/A

Group Home Acquisition and Rehabilitation **\$50,370**

A total of \$50,370 will continue a program providing loans to purchase properties by nonprofit organizations for use as group homes, and to provide rehabilitation and accessibility improvements for nonprofit group homes.

Performance Measurement Objective: Decent Housing
Amount Expended: \$0
Outcome: affordability
Outcome Statement: Project underway
Total funding available: \$50,370
Persons/households assisted: 20

Housing Rehabilitation and Production **\$288,980**

A total of \$288,980 will fund the County's ongoing rehabilitation program to enable low and moderate income owners of single-family homes and owners of multi-family properties occupied by low- and moderate-income tenants to eliminate code violations and make other necessary improvements, including energy conservation improvements. Some funds may also be used as financing to produce or preserve affordable housing in the county.

Performance Measurement Objective: Decent Housing
Amount Expended: \$0
Outcome: Sustainability
Outcome Statement: Project underway
Total funding available: \$288,980
Persons/households assisted: 5

Public Housing Modernization **\$183,000**

A total of \$183,000 will be used for loans to the Housing Opportunities Commission (HOC) that will fund improvements to the County's aging public housing stock. HOC, through its long range planning process, has identified essential repairs that are needed at many of the 1,500 public housing units it manages.

Performance Measurement Objective: Suitable Living Environment
Amount Expended: \$0
Outcome: affordability
Outcome Statement: Project underway
Total funding available: \$183,000

Persons/households assisted: N/A

Project Analysis and Engineering

\$127,262

A total of \$127,262 will be used for project analysis and engineering studies associated with projects in revitalization areas.

| | |
|---|-----------------------------|
| <i>Performance Measurement Objective:</i> | Suitable Living Environment |
| <i>Amount Expended:</i> | \$63,000 |
| <i>Outcome:</i> | Availability/accessibility |
| <i>Outcome Statement:</i> | Project underway |
| <i>Total funding available:</i> | \$64,262 |
| <i>Persons/households assisted:</i> | N/A |

NONPROFIT PROVIDERS

Boat People SOS

\$25,300

“Educational and Recreational Activities for Youth”

The project in first year funding will be used to support one full-time AmeriCorps volunteer and supervision time to carry out a youth enrichment program for 35 low-income Vietnamese youth in Montgomery County. An estimated 35 people will benefit.

| | |
|---|----------------------|
| <i>Performance Measurement Objective:</i> | Economic Opportunity |
| <i>Amount Expended:</i> | \$22,635 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$2,365 |
| <i>Persons/households assisted:</i> | 35 |

Career Transition Center, Inc. (CTC)

\$20,000

“Transportation Supplement”

The project in first year funding will be used to supplement the amount of support CTC can devote to local transportation for the County’s job seekers. The Countywide program will benefit an estimated 100 people.

| | |
|---|----------------------|
| <i>Performance Measurement Objective:</i> | Economic Opportunity |
| <i>Amount Expended:</i> | \$4,228 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$15,772 |
| <i>Persons/households assisted:</i> | 100 |

CASA de Maryland, Inc

\$20,000

“Employment Rights/Legal Services Program”

The project in second year funding will be used to provide employment rights services through counseling, representation and education of low-wage workers who have not been paid their wages, as well as to domestic workers and victims of trafficking. The Countywide program will benefit an estimated 2,000 people.

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|---|----------------------|
| <i>Performance Measurement Objective:</i> | Economic Opportunity |
| <i>Amount Expended:</i> | \$0 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$20,000 |
| <i>Persons/households assisted:</i> | 2,000 |

Circle of Rights, Inc. \$7,000
“Hispanic Stroke Support Group”

The project in first year funding to be used to support a stroke survivor support group and personal care assistant support group facilitated by Hispanic counselors with English interpretation primarily in the Gaithersburg area. An estimated 50 people will benefit.

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|---|-----------------------------|
| <i>Performance Measurement Objective:</i> | Suitable Living Environment |
| <i>Amount Expended:</i> | \$5,805 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$1,195 |
| <i>Persons/households assisted:</i> | 50 |

Eastern Montgomery Emergency Assistance Network \$25,000
“Networking Rx Assistance in Eastern Montgomery County”

The project in first year funding will be used to provide prescription medication to eligible low-income individuals who lack insurance coverage in Eastern Montgomery County. An estimated 80 households will benefit.

| | |
|---|-----------------------------|
| <i>Performance Measurement Objective:</i> | Suitable Living Environment |
| <i>Amount Expended:</i> | \$9,395 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$15,605 |
| <i>Persons/households assisted:</i> | 80 |

Gapbuster Learning Center \$35,000
“Cross-Tutorial Mentoring Program”

The project in second year funding will be used to purchase supplies and educational material for each student, pay staff, provide incentives, and other operating costs associated with providing the Cross-Tutorial Mentoring Program. The Countywide program will benefit an estimated 90 people.

| | |
|---|----------------------|
| <i>Performance Measurement Objective:</i> | Economic Opportunity |
| <i>Amount Expended:</i> | \$32,484 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project Completed |
| <i>Total funding available:</i> | \$2,516 |
| <i>Persons/households assisted:</i> | 90 |

Habitat for Humanity of Montgomery County, Maryland, Inc \$45,000
“AmeriCorp/VISTA Volunteer”

The project in first year funding will be used to assist residents acquire assistance. An estimated 8 households will benefit.

| | |
|---|----------------------|
| <i>Performance Measurement Objective:</i> | Economic Opportunity |
| <i>Amount Expended:</i> | \$39,448 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$5,552 |
| <i>Persons/households assisted:</i> | 8 |

Independence Now, Inc.

\$25,000

“Access to Success!”

The project in first year funding will be used to assist residents acquire assistive technology, minor home access modifications and minor vehicle modifications to empower them to be able to participate in their community. The Countywide program will benefit an estimated 30 people.

| | |
|---|----------------------|
| <i>Performance Measurement Objective:</i> | Economic Opportunity |
| <i>Amount Expended:</i> | \$4,453 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$20,547 |
| <i>Persons/households assisted:</i> | 30 |

Interfaith Works (formerly CMMC)

\$30,000

“Supported Employment Program”

The project (see ESG for additional funding) in third year funding will be used to help homeless residents of Montgomery County achieve independence through employment and to help employers by providing qualified, dependable employees. The Countywide program will benefit an estimated 80 people.

| | |
|---|----------------------|
| <i>Performance Measurement Objective:</i> | Economic Opportunity |
| <i>Amount Expended:</i> | \$23,342 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$6,658 |
| <i>Persons/households assisted:</i> | 80 |

Korean Community Service Center of Greater Washington, Inc.

\$25,000

“Asian Minority Outreach and Services”

The project in second year funding will be used to assist low-income families, especially Korean, to become self-sufficient community members through promoting health and well being, ensuring stable housing, increasing service accessibility and achieving legal immigrant status. The Countywide program will benefit an estimated 1,530 people will benefit. Project includes \$20,000 from Montgomery County and \$5,000 from the City of Rockville.

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|---|----------------|
| <i>Performance Measurement Objective:</i> | Decent Housing |
| <i>Amount Expended:</i> | \$20,079 |

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| <i>Outcome:</i> | Affordability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$4,921 |
| <i>Persons/households assisted:</i> | 1,530 |

Legal Aid Bureau, Inc. \$30,000

“Legal Assistance for Housing Preservation”

The project in first year funding will be used to support one dedicated full-time attorney who will conduct community forums; provide outreach and education; and legal assistance to low-income residents who are at risk of losing their homes to foreclosure. The Countywide program will benefit an estimated 300 people.

| | |
|---|----------------------|
| <i>Performance Measurement Objective:</i> | Economic Opportunity |
| <i>Amount Expended:</i> | \$22,500 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$7,500 |
| <i>Persons/households assisted:</i> | 300 |

Liberty’s Promise, Inc. \$30,000

“Enriching Montgomery County’s Immigrant Youth”

The project in third year funding will be used to continue providing professional internship and civic education programs to low-income immigrant youth living in assisted or subsidized housing units. The Countywide program will benefit an estimated 50 immigrant youth.

| | |
|---|------------------|
| <i>Performance Measurement Objective:</i> | Decent Housing |
| <i>Amount Expended:</i> | \$30,000 |
| <i>Outcome:</i> | Affordability |
| <i>Outcome Statement:</i> | Project Complete |
| <i>Total funding available:</i> | \$0 |
| <i>Persons/households assisted:</i> | 50 |

Lutheran social Services of the National Capital Area \$19,700

“MC Placement & Matching Grant Employment Services Program”

The project in first year funding will be used to provide intensive case management and employment services to low-income refugee families with unemployed heads of households who are homeless or threatened with homelessness in Montgomery County. An estimated 250 people will benefit.

| | |
|---|----------------------|
| <i>Performance Measurement Objective:</i> | Economic Opportunity |
| <i>Amount Expended:</i> | \$5,000 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$14,700 |
| <i>Persons/households assisted:</i> | 250 |

Maryland Vietnamese Mutual Association \$20,000

“Golden Age Project for Seniors”

The project in second year funding will be used to continue to help GAPS program to support healthy aging in-place for low-income Vietnamese Seniors through staffing for direct services, quality of life activities, volunteer recruiting efforts and translation fees. The Countywide program will benefit an estimated 100 people.

| | |
|---|----------------------|
| <i>Performance Measurement Objective:</i> | Economic Opportunity |
| <i>Amount Expended:</i> | \$16,235 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$3,765 |
| <i>Persons/households assisted:</i> | 100 |

Mobile Medical Care, Inc. \$30,000

“Chronic Disease Care at Long Branch Community Center”

The project in third year funding will be used to continue providing health care services, at the Long Branch Community Center, to individuals who need more intensive intervention and comprehensive education, training and support to help treat, control and manage their conditions. The program will benefit an estimated 800 people.

| | |
|---|------------------|
| <i>Performance Measurement Objective:</i> | Decent Housing |
| <i>Amount Expended:</i> | \$28,855 |
| <i>Outcome:</i> | Affordability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$1,145 |
| <i>Persons/households assisted:</i> | 800 |

Montgomery County Department of Health and Human Services \$30,000

“Get a Check-Up”

The project in first year funding will be used to expand on its prostate cancer screenings program by providing eligible low-income men with the appropriate screening, follow-up, patient navigation, and care coordination for suspicious prostate exam or symptoms. The Countywide program will benefit an estimated 300 people.

| | |
|---|-----------------------------|
| <i>Performance Measurement Objective:</i> | Suitable Living Environment |
| <i>Amount Expended:</i> | \$23,430 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$6,570 |
| <i>Persons/households assisted:</i> | 300 |

Montgomery County MD Delta Alumnae Foundation, Inc \$45,000

“Science, Technology, Engineering and Mathematic Saturday Academy”

The project in first year funding will be used to conduct a five week learning experience for African-American eight grade students in Science, Technology, Engineering, and Mathematics. The program will be designed as an effort to provide an engineering orientation experience for students from underrepresented segments of the population. The Countywide program will benefit an estimated 50 people.

| | |
|---|----------------------|
| <i>Performance Measurement Objective:</i> | Economic Opportunity |
| <i>Amount Expended:</i> | \$42,581 |

| | |
|-------------------------------------|------------------|
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$2,419 |
| <i>Persons/households assisted:</i> | 50 |

Muslim Community Center **\$20,000**

“Muslim Community Center Clinic for the Uninsured”

The project in first year funding will be used to pay the salary of a health care provider instructor and one administrative staff person. The Countywide program will benefit an estimated 200 people.

| | |
|---|------------------------------|
| <i>Performance Measurement Objective:</i> | Suitable Living Environment |
| <i>Amount Expended:</i> | \$12,443 |
| <i>Outcome:</i> | Availability / Accessibility |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$7,557 |
| <i>Persons/households assisted:</i> | 200 |

Pyramid Atlantic, Inc. **\$10,000**

“Y.E.S. (Youth Empowerment & Skills)”

The project in first year funding will be used to support an after-school and weekend job-readiness program serving Hispanic and African American teens. Activities include learning the elements of effective storytelling, the crafts of paper-making and bookmaking, researching future professions, plotting career paths and creating a power point presentation summarizing their aspirations. The program is concentrated on Silver Spring and will benefit an estimated 30 people.

| | |
|---|----------------------|
| <i>Performance Measurement Objective:</i> | Economic Opportunity |
| <i>Amount Expended:</i> | \$5,012 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$4,988 |
| <i>Persons/households assisted:</i> | 30 |

Regional S. Lourie Center for Infants & Young Children **\$27,000**

“Community Resource Specialist for Lourie Center Early Head Start”

The project in first year funding will be used to provide individualized support for all families in the Early Head Start program who need to be connected to community services, such as citizenship, housing, employment, childcare, education and health services. The Countywide program will benefit an estimated 88 people.

| | |
|---|----------------------|
| <i>Performance Measurement Objective:</i> | Economic Opportunity |
| <i>Amount Expended:</i> | \$10,000 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$17,000 |
| <i>Persons/households assisted:</i> | 88 |

Spanish Catholic Center, Inc. **\$20,000**

“English for Speakers of Other Languages”

The project in first year funding will be used to expand English for Speakers of Other Languages (ESOL) services to a new Germantown site. An estimated 150 people will benefit.

| | |
|---|------------------------------|
| <i>Performance Measurement Objective:</i> | Suitable Living Environment |
| <i>Amount Expended:</i> | \$14,222 |
| <i>Outcome:</i> | Availability / Accessibility |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$5,778 |
| <i>Persons/households assisted:</i> | 150 |

The Shepherd's Table, Inc. \$21,000

“Shepherd's Table Eye Clinic”

The project in second year funding will be used to serve individuals who do not have eye care insurance and are in need of eye exams and eye glasses. The funds support the salary of the Eye doctor and partial salary of a staff member who manages the program. The Countywide program will benefit an estimated 650 people.

| | |
|---|-----------------------------|
| <i>Performance Measurement Objective:</i> | Suitable Living Environment |
| <i>Amount Expended:</i> | \$13,834 |
| <i>Outcome:</i> | Affordability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$7,166 |
| <i>Persons/households assisted:</i> | 650 |

Washington Youth Foundation \$45,000

“Professional Youth Initiative Program”

The project in first year funding will be used to support staff salaries and program operating costs. The Countywide program will benefit an estimated 370 students.

| | |
|---|----------------------|
| <i>Performance Measurement Objective:</i> | Economic Opportunity |
| <i>Amount Expended:</i> | \$41,408 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | project Underway |
| <i>Total funding available:</i> | \$3,592 |
| <i>Persons/households assisted:</i> | 370 |

PROJECTS ADMINISTERED BY MUNICIPALITIES

CITY OF TAKOMA PARK \$135,000

Manna Food Center Inc. \$5,000

“Smart Sacks and Takoma Park Distribution”

The project will be used by the grantee to provide for weekly distribution of 320 boxes of food to low and moderate income residents of Franklin Apartments and other low income housing units in Takoma Park and backpacks of child friendly food to low and moderate income children attending local public elementary schools. A total of 153 people are expected to benefit.

| | |
|---|-----------------------------|
| <i>Performance Measurement Objective:</i> | Suitable Living Environment |
|---|-----------------------------|

| | |
|-------------------------------------|------------------|
| <i>Amount Expended:</i> | \$0 |
| <i>Outcome:</i> | Affordability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$5,000 |
| <i>Persons/households assisted:</i> | 153 |

Digital Bridge **\$6,000**

“Community Technology and Resource Center”

The project will be used to provide hands on computer training to low and moderating income households with emphasis on assistance to those who are unemployed or underemployed. A total of 75 persons are expected to benefit. This project funding is from Program Year 2008.

| | |
|---|------------------------------|
| <i>Performance Measurement Objective:</i> | Suitable Living Environment |
| <i>Amount Expended:</i> | \$0 |
| <i>Outcome:</i> | Availability / Accessibility |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$6,000 |
| <i>Persons/households assisted:</i> | 75 |

City of Takoma Park **\$5,000**

“Recreation Department Scholarship Program”

The project will be used by the City of Takoma Park for scholarships to income eligible City residents participating in before/after school programs in the City. A total of 9 persons are expected to benefit. This project funding is from Program Year 2008.

| | |
|---|------------------------------|
| <i>Performance Measurement Objective:</i> | Suitable Living Environment |
| <i>Amount Expended:</i> | \$0 |
| <i>Outcome:</i> | Availability / Accessibility |
| <i>Outcome Statement:</i> | Project underway |
| <i>Total funding available:</i> | \$5,000 |
| <i>Persons/households assisted:</i> | 9 |

City of Takoma Park **\$110,000**

“Affordable Housing Initiative”

The project will be used by the City of Takoma Park to provide gap financing for the acquisition, demolition and/or renovation of existing housing, gap financing for new construction and down-payment assistance. Projects may include rental and ownership opportunities. A total of 4 housing units / households are expected to benefit.

| | |
|---|------------------|
| <i>Performance Measurement Objective:</i> | Decent Housing |
| <i>Amount Expended:</i> | \$0 |
| <i>Outcome:</i> | Affordability |
| <i>Outcome Statement:</i> | Project underway |
| <i>Total funding available:</i> | \$110,000 |
| <i>Persons/households assisted:</i> | 4 |

CITY OF ROCKVILLE **\$304,000**

Community Ministries of Rockville **\$16,000**

“Latino Outreach Program”

The project will be used to provide basic English classes and workplace instruction to empower foreign born community members in Rockville and surrounding areas. They will also help them become U.S. citizens through the naturalization component of the Latino Outreach Program. This service will assist approximately 150 individuals.

| | |
|---|------------------|
| <i>Performance Measurement Objective:</i> | Decent Housing |
| <i>Amount Expended:</i> | \$0 |
| <i>Outcome:</i> | Affordability |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$16,000 |
| <i>Persons/households assisted:</i> | 150 |

**Community Ministries of Rockville
“Elderly Ministries Program”****\$12,500**

The project will provide funds to support administrative expenses associated with providing case management to senior citizens and frail elderly residents of the City of Rockville. This service will be able to assist approximately 10 households.

| | |
|---|-----------------------------|
| <i>Performance Measurement Objective:</i> | Suitable Living Environment |
| <i>Amount Expended:</i> | \$0 |
| <i>Outcome:</i> | Affordability |
| <i>Outcome Statement:</i> | Project underway |
| <i>Total funding available:</i> | \$12,500 |
| <i>Persons/households assisted:</i> | 10 |

Rockville Housing Enterprises**\$70,000**

The project will be used by Rockville Housing Enterprises for improvements to David Scull Courts. These improvements will benefit approximately 15 households.

| | |
|---|------------------------------|
| <i>Performance Measurement Objective:</i> | Suitable Living Environment |
| <i>Amount Expended:</i> | \$0 |
| <i>Outcome:</i> | Availability / Accessibility |
| <i>Outcome Statement:</i> | Project Underway |
| <i>Total funding available:</i> | \$70,000 |
| <i>Persons/households assisted:</i> | 15 |

Single-Family Rehabilitation**\$200,500**

The project will be used to provide low-interest loans and grants to income eligible homeowners who need financial assistance in eliminating major code violations. An estimated 30 households will benefit.

| | |
|---|------------------|
| <i>Performance Measurement Objective:</i> | Decent Housing |
| <i>Amount Expended:</i> | \$0 |
| <i>Outcome:</i> | Affordability |
| <i>Outcome Statement:</i> | Project underway |
| <i>Total funding available:</i> | \$200,500 |
| <i>Persons/households assisted:</i> | 30 |

CONTINGENCY**\$262,555**

A total of \$262,555 was available for both capital (\$50,000) and operating (\$212,555) expenditures to allow for emergency community development needs, including setting aside funds for ongoing CDBG projects which may require additional funding, and funding non-public service out-of-cycle requests.

ADMINISTRATION **\$1,128,578**

This funded DHCA's staff in planning, administration and monitoring of the CDBG program, including application review and staff support for a citizen's advisory committee, environmental reviews, contract preparation, payment processing and auditing, federal reporting and loan servicing.

Amount Expended: \$1,128,578

HOME Investment Partnerships Program (HOME)
July 1, 2009 - June 30, 2010

HOME INVESTMENT PARTNERSHIP PROGRAM (HOME) **\$2,828,074**

The HOME grant is designed to increase housing choices for low-income households through rental and home ownership programs, in cooperation with public, private and nonprofit organizations. During Program Year 2009 / local Fiscal Year 2010 (July 1, 2009 – June 30, 2010), the County received \$2,504,723 in funding for HOME projects, and together with program income of \$323,351 (PR27) a total of \$2,828,074 in HOME funds was available. Funds were generally made available in the form of low-interest loans and other subsidies, and units assisted were both rental and owner-occupied.

PROJECTS ADMINISTERED BY COUNTY GOVERNMENT

Department of Housing and Community Affairs (DHCA)

Housing Production and Rehabilitation **\$944,829**

The project will be used to create home ownership opportunities, new rental housing, or to rehabilitate existing housing (both rental and single-family homes). This housing will principally serve low-income households. DHCA will work with the private sector, non-profits and the Montgomery County Housing Opportunities Commission (HOC) in implementing this program. Additionally, if the opportunity is available, HOME funds will be used for group homes to serve special populations and for specialized housing programs.

| | |
|---|------------------|
| <i>Performance Measurement Objective:</i> | Decent Housing |
| <i>Amount Expended:</i> | \$0 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project underway |
| <i>Total funding available:</i> | \$944,829 |
| <i>Persons/households assisted:</i> | N/A |

Community Housing Development Organizations (CHDOs) **\$375,708**
Housing Production

The project will fund the housing development activities of CHDOs. This represents the federally mandated fifteen percent of the HOME allocation. Up to 10 percent of this total (\$37,571) may be used for project-specific technical assistance, site control, and seed money loans. It is anticipated that one to three organizations will use these funds for acquisition, construction, or renovation of rental housing for persons with low-incomes.

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|---|------------------|
| <i>Performance Measurement Objective:</i> | Decent Housing |
| <i>Amount Expended:</i> | \$0 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project underway |
| <i>Total funding available:</i> | \$375,708 |
| <i>Persons/households assisted:</i> | N/A |

PROJECTS ADMINISTERED BY NONPROFITS AND OTHER PUBLIC AGENCIES

CHDO Operating Assistance \$112,142

Approximately five percent of the HOME allocation (\$112,042) will be used to fund the administrative costs of qualified CHDOs in Montgomery County. Montgomery Housing Partnership (MHP) and Housing Unlimited will receive these funds. By regulation, only CHDOs using HOME funds to own, sponsor, or develop affordable housing are eligible for operating support. This operating support cannot exceed 50 percent of a CHDO's operating budget in any fiscal year or \$50,000 annually, whichever is greater.

| | |
|---|------------------|
| <i>Performance Measurement Objective:</i> | Decent Housing |
| <i>Amount Expended:</i> | \$8,973 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project underway |
| <i>Total funding available:</i> | \$103,069 |
| <i>Persons/households assisted:</i> | N/A |

Rental Assistance – Housing Opportunities Commission \$112,000

Up to a total of \$112,000 may be used for a rental assistance program to match the State of Maryland's existing rental assistance program, which serves persons and households who are homeless or about to be homeless. Eligible households will be taken from a waiting list as required by HUD; the Montgomery County Housing Opportunities Commission (HOC) will operate this program.

| | |
|---|------------------|
| <i>Performance Measurement Objective:</i> | Decent Housing |
| <i>Amount Expended:</i> | \$0 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project underway |
| <i>Total funding available:</i> | \$112,000 |
| <i>Persons/households assisted:</i> | N/A |

Rental Assistance – Montgomery Coalition of the Homeless \$750,000

Up to a total of \$750,000 may be used for a rental assistance in partnership with the Montgomery County Coalition for the Homeless (MCCH) in furtherance of the County's "Housing First Program". MCCH will operate this program.

| | |
|---|------------------|
| <i>Performance Measurement Objective:</i> | Decent Housing |
| <i>Amount Expended:</i> | \$0 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project underway |
| <i>Total funding available:</i> | \$750,000 |
| <i>Persons/households assisted:</i> | N/A |

Fair Housing Activities **\$37,000**
The fund will be used for fair housing activities, such as sales, rental and lending testing, education/outreach, training and research. Activities will be administered by the Office of Human Rights.

| | |
|---|------------------|
| <i>Performance Measurement Objective:</i> | Decent Housing |
| <i>Amount Expended:</i> | \$13,600 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project underway |
| <i>Total funding available:</i> | \$23,400 |
| <i>Persons/households assisted:</i> | N/A |

ADMINISTRATION **\$213,472**
The fund will be used to cover the county's expenses associated with operating the HOME Program. Combined administrative expenses represent 10.0% of the entitlement amount.

Amount Expended: 131,500

Emergency Shelter Grant (ESG) July 1, 2009 - June 30, 2010

EMERGENCY SHELTER GRANT (ESG) **\$225,636**
The ESG Program enables the county to provide housing and other services to persons who are homeless or in danger of becoming homeless. Although smaller than the CDBG or HOME programs, the ESG program serves an essential role in providing services to our neediest population, the homeless. The County expects to receive \$225,636 in the coming year for ESG projects.

PROJECTS ADMINISTERED BY DHCA

Homeless Prevention Assistance **\$68,000**
The fund will be used to provide homeless prevention assistance, including payments for rent and utility arrearages necessary to prevent eviction, as well as security deposits or first month's rent to enable persons who are homeless or at-risk of homelessness to secure housing. An estimated 40 people will benefit.

| | |
|---|------------------|
| <i>Performance Measurement Objective:</i> | Decent Housing |
| <i>Amount Expended:</i> | \$68,000 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project underway |
| <i>Total funding available:</i> | \$0 |

Persons/households assisted: 40

Shelter Renovation/Maintenance **\$86,354**

The fund will be used to renovate and/or maintain shelters serving the homeless in Montgomery County. An estimated 150 people will benefit.

| | |
|---|-----------------------------|
| <i>Performance Measurement Objective:</i> | Suitable Living Environment |
| <i>Amount Expended:</i> | \$0 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project underway |
| <i>Total funding available:</i> | \$86,354 |
| <i>Persons/households assisted:</i> | 150 |

NONPROFIT PROVIDERS

Montgomery County Coalition for the Homeless **\$45,000**
“Partnership for Permanent Housing”

The project will be used to relocate families, couples without children, and single adults directly from homeless shelters to permanent, subsidized housing. An estimated 100 people will benefit.

| | |
|---|------------------|
| <i>Performance Measurement Objective:</i> | Decent Housing |
| <i>Amount Expended:</i> | \$28,725 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project underway |
| <i>Total funding available:</i> | \$16,275 |
| <i>Persons/households assisted:</i> | 100 |

Interfaith Works, Inc. **\$15,000**
“Supported Employment Program”

The fund (and an additional \$30,000 in CDBG) will be used to continue to support a full-time Vocational Counselor to enroll up to 80 homeless clients in a Supported Employment Program to assist them to achieve independence through meaningful employment and to meet employer’s needs by providing long-term, qualified, dependable employees. A total of 80 people will benefit.

| | |
|---|----------------------|
| <i>Performance Measurement Objective:</i> | Economic Opportunity |
| <i>Amount Expended:</i> | \$15,000 |
| <i>Outcome:</i> | Sustainability |
| <i>Outcome Statement:</i> | Project underway |
| <i>Total funding available:</i> | \$0 |
| <i>Persons/households assisted:</i> | 80 |

ADMINISTRATION **\$11,282**

The fund will be used to cover the county’s expenses associated with operating the ESG Program. Combined administrative expenses represent 5.0% of the entitlement amount.

Amount Expended: \$4,624

Matching requirements for the ESG program come from County funds.

CAPER Narratives

Assessment of Goals and Objectives. In each of the following sections covering Community Development Block Grant (CDBG), Home Investment Partnership Program (HOME) and Emergency Shelter Grant (ESG) there is an assessment of goals and objectives. Information on services delivered under Housing Opportunities for Persons With Aids (HOPWA) program was provided by the Montgomery County Department of Health and Human Services, which serves as the sub-recipient for funds in Montgomery County, which falls under the Bethesda-Frederick-Gaithersburg Metropolitan Division.

Affirmatively Furthering Fair Housing

Actions taken:

As a part of the Office of Human Rights, The Fair Housing Program has developed a far-reaching program of outreach and monitoring activities.

Educational activities include training for landlords, real estate professionals, property managers, lenders, and other housing professionals, as well as information to and training for the general public. A 10th grade fair housing curriculum has been developed and incorporated into all 10th grade social studies classrooms in each of the 23 Montgomery County high schools. A similar set of lessons is being developed for the elementary school curriculum. Each spring, a fair housing Poster Contest is conducted in selected elementary school classrooms throughout the County.

The Office of Human Rights has developed a comprehensive program of testing for discrimination in the rental or sale of housing, home mortgage financing and compliance with architectural guidelines. Enforcement actions are taken as warranted by the Office of Human Rights' [Compliance Section](#).

As part of determining the level of discrimination in the County, the Office of Human Rights periodically conducts studies. Studies include, for example, an evaluation of the practices of mortgage lenders in the County, and the frequency and patterns of FHA foreclosures.

Analysis of Impediments

The Montgomery County Department of Housing and Community Affairs (DHCA) issued an updated Analysis of Impediments to Fair Housing Choice (AI) in January 2010 and the report can be viewed or download online here: http://www.montgomerycountymd.gov/content/dhca/community/ConPlan/app_c_analysis_of_impediments.pdf. The document details progress made in addressing impediments to fair housing during the reporting period. The full text is included here:

Montgomery County, Maryland
Analysis of Impediments to Fair Housing Choice (AI)
Fiscal Year 2010
Mid-Year Update
January, 2010

The Analysis of Impediments to Fair Housing Choice (AI) examines whether all residents or potential residents of Montgomery County share equal access to housing under the federal Fair Housing Act of 1968 and the Fair Housing Amendments Act of 1988, regardless of their race, color, religion, sex, national origin, disability or familial status.

Montgomery County is an entitlement community - a local government that receives an annual allocation of federal funding through the U.S. Department of Housing and Urban Development (HUD) to create and preserve affordable housing. HUD requires that each entitlement community review public and private policies and practices to promote fair housing choice and to address any impediments to fair housing discovered through this review. Montgomery County will affirmatively further fair housing by conducting an Analysis of Impediments to fair housing choice within its jurisdiction, take appropriate actions to overcome the effects of any impediments identified through this analysis and maintain records reflecting the analysis and related actions.

The Department of Housing and Community Affairs (DHCA) takes the lead in preparing and updating the Analysis of Impediments to Fair Housing Choice (AI). In 2007 a comprehensive analysis was undertaken as part of a community-wide effort to identify key areas of concern. DHCA collaborated with the County's Office of Human Rights, and the members of the Interagency Fair Housing Coordinating Group (IFHCG), which is comprised of representatives from multiple public agencies, non-profit organizations and the private sector. These partnerships continue, and in 2007, it was decided that the scope of the impediments to fair housing choice should be broadly identified to provide an overarching framework for future efforts and collaboration.

The County has identified six overarching impediments to fair housing choice:

- ☐ Lack of currently available affordable housing;
- ☐ Lack of available, especially affordable, housing for residents with a disability;
- ☐ Difficulty siting affordable housing, particularly special needs and group housing;
- ☐ Unfair lending practices;
- ☐ Lack of general awareness concerning fair housing issues among residents and professionals in Montgomery County;
- ☐ Shortage of comprehensive testing and study information on the fair housing environment in Montgomery County.

Impediments to fair housing choice, as defined by HUD, include:

- Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin that restrict housing choices or the availability of housing choices; and

- Any actions, omissions, or decisions that have the *effect* of restricting housing choices or the availability of housing choices on the basis of race, color, religion, sex, disability, familial status or national origin.

In addition, the Montgomery County Code in Chapter 27, Human Rights and Civil Liberties, Section 27-12, Discriminatory Housing Practices, prohibits discrimination in housing on the basis of race, color, religious creed, ancestry, national origin, sex, marital status, disability, presence of children, family responsibilities, source of income, sexual orientation, gender identity, or age.

Identified Impediments and Ongoing Actions

- ❑ **Lack of currently available affordable housing**
- ❑ **Lack of available, especially affordable, housing for residents with a disability**

While these two impediments are listed separately, the root cause for both is often an economic one. Housing costs in Montgomery County are high, and, for someone with a limited income, housing can be unaffordable. The median household income in Montgomery County for Fiscal Year 2009 as reported by the U.S. Department of Housing & Urban Development (HUD) is \$102,700, and the Fiscal Year 2010 Fair Market Rent for a two-bedroom unit in the county is \$1,494. In addition, persons with disabilities experience a greater degree of unemployment or underemployment than is experienced by those without disabilities and are almost three times more likely to be below the federal poverty level. In recognition of this fact, the County Council is considering legislation that, if adopted, would create a local-government hiring preference for people with developmental, psychiatric or severe physical disabilities. (Note: Bill 46-09 was unanimously approved by the County Council on February 2, 2010)

In spite of a Fiscal Year 2010 operating budget that is 1.1 percent less than the approved budget for Fiscal Year 2009, and that marks the first decrease in a Montgomery County budget since Fiscal Year 1992, Montgomery County continues its strong commitment for affordable housing and for “safety net” services for the most vulnerable. The total number of affordable housing units produced and preserved for 2009 was 1,607, up from the previous number of 1,571. In addition, Montgomery County, in partnership with the Housing Opportunities Commission (HOC), is providing federal stimulus funds to enable HOC to acquire and rehabilitate vacant, foreclosed properties, preserving these properties as affordable housing for the long-term. To date 12 homes have been acquired. In addition, the County is funding non-profit housing providers, like Habitat for Humanity, to enable these organizations to acquire vacant, foreclosed properties for sale to lower-income homebuyers.

For FY10, the County Council approved \$57.8 million for the Housing Initiative Fund (HIF). This locally-funded housing trust fund is used to increase and preserve the county’s supply of affordable housing, including housing for residents with special needs. For this fiscal year, \$8.9 million of the HIF has been reserved for continued implementation of Montgomery County’s Housing First Plan, a plan to assist homeless individuals and families move rapidly into stable, permanent housing, including rental assistance subsidy payments. Also, tenant-based rental assistance in the amount of \$750,000 is being provided through the HOME Investment Partnership Program to the Montgomery County Coalition for the Homeless to provide needed subsidies for residents of permanent supportive housing. Montgomery County is also providing \$4 million for services that help seniors remain independent in the community, \$4.62 million for

in-home aide services, and \$2.2 million to fund the Office of Human Rights, the county office with primary responsibility for fair housing activities.

The County continues to support “Design for Life,” a voluntary, certification program for Visit-Ability and Live-Ability in single family attached and detached homes that promotes accessibility in both newly constructed and renovated housing. The County Executive has formed a Sub-cabinet on Senior Vital Living to address issues of particular concern to seniors, a growing segment of the Montgomery County population. Given interest among County Council members in learning more about service delivery to seniors wanting to age in place in their current homes and communities, the Office of Legislative Oversight prepared a report “Naturally Occurring Retirement Communities and Retirement Villages,” (OLO report 2009-11 released on June 16, 2009). Through the Sub-cabinet on Senior Vital Living efforts are underway to identify ways to support these programs for seniors aging in place. For example, the county is currently providing operating support funds for Rebuilding Together, a non-profit that provides home repairs at no cost for low-income owners, most of whom are seniors. For Fiscal Year 2009, Rebuilding Together installed 103 grab bars, repaired or installed 81 railings and installed 7 wheelchair ramps. In addition, the County provides funding to ensure in furtherance of ADA compliance for public facilities and through ongoing streetscaping and other community development efforts.

Of particular note for 2010, are the County’s ongoing outreach efforts regarding the census. Working to ensure a complete count of county residents during the decennial census on April 1, 2010, is an important way that Montgomery County can ensure that the county receives a fair allocation of federal and state funding. This funding is critical to affirmatively further fair housing and address identified impediments. Federal and state resources are key in developing new affordable housing, preserving existing housing as affordable and accessible and in providing the income and service supports that are critically needed to enable our lower-income residents, particularly those with disabilities, a full range of housing choices.

Outreach is being conducted in multiple languages, with education specifically directed to those immigrant groups who, because of national origin or limited English proficiency, may be unfamiliar with, or apprehensive about, participating in the census. Efforts are also underway to ensure that information is available in alternative formats and that persons with other special needs are counted.

❑ Difficulty siting affordable housing, particularly special needs and group housing

In July 2009, the Montgomery County Planning Department released a Draft Amendment to the Housing Element of the county’s master plan (“The General Plan”). The draft stresses the need to include affordable housing in areas close to public transportation and jobs and to provide incentives for, and reduce the regulatory barriers to, producing affordable housing. The Draft Amendment to the Housing Element also recommends amending the zoning ordinance to clarify that affordable housing is a permitted use in all residential zones.

DHCA comments on all master and sector plans, advocating that affordable housing be addressed in the plans and that the Maryland National Capital Park and Planning Commission establish an “affordable housing goal” in each plan area. DHCA also supports zoning text amendments that create a more attractive planning and economic environment for the development of affordable housing, including increases to allowable heights, densities and Floor Area Ratios in order to provide added flexibility to facilitate affordable housing development.

Currently the County Council is considering changes to the Zoning Code (zoning text amendment 09-08) that would create new commercial residential mixed-use zones (CR zones), that would serve to foster the development of balanced, walkable communities where residents can work, live and shop. Under CR zones, housing affordability is one category of public benefit that would allow for increased density.

The County continues to work in partnership with other organizations to site affordable housing for special populations. Currently, DHCA is working with the Montgomery County Coalition for the Homeless on a project to adaptively reuse and rehabilitate a five-story commercial building into 32 personal living quarters for homeless adults. Also, mixed-income housing is being planned for a portion of the 11 acre public parcel that will be used as the replacement location for the 3rd District Police Station.

The draft amendment to the Housing Element may be found at:

<http://www.montgomeryplanning.org/community/housing/documents/HousingMasterPlanPBDraft.pdf>

❑ Unfair Lending Practices

According to the Office of Human Rights, Montgomery County has had no documented cases of unfair lending practices this year. The County is continuing to work in close partnership with lending institutions and industry professionals to address housing needs, particularly in light of the increase in foreclosure events.

Along with Prince George's County and Baltimore City, Montgomery County is one of the jurisdictions in the State of Maryland hardest hit by the foreclosure crisis. In addressing foreclosures, Montgomery County is investing staff time and financial resources in working to mitigate the negative impact of foreclosure events on both the owners and tenants directly impacted as well as on the communities most affected.

Montgomery County, in partnership with the State and other advocacy groups, has worked hard to ensure that accurate and timely information is available so that residents do not unwittingly become victims of a scam and know where to turn for help if they are victimized. The County's web site has a section devoted to foreclosure prevention that provides information on how to avoid scams and fraud and provides information on fraud prevention at information sessions and through one-on-one housing counseling efforts.

In 2008, the State enacted changes to the foreclosure laws in Maryland that provided better protections to those impacted and that were among the most comprehensive in the nation. These included, for example, effectively increasing the pre-foreclosure period from 15 days to 135 days. The County, in collaboration with the State, has funded an expansion of the number of certified housing counselors in the county to work with owners threatened with foreclosure to ensure that they receive timely assistance.

Currently, three counseling agencies, Homefree-USA, Latino Economic Development Corporation and Housing Initiative partnership (HIP) are providing counseling, with housing counselors provided office space in government buildings and in neighborhood service sites to facilitate easy access. For calendar year 2009, 1,795 households received counseling services,

counseling agencies participated in 27 community events and conducted 26 speaking engagements. In January, 2009, there were 4 full-time and 1 part-time counselors. By the end of the year, December 31, 2009, that number had increased to 11.5.

The County has also collected and mapped foreclosure data, making the data available on line, and using it to identify any trends. Staff is also working closely with banks that have foreclosed to mitigate the impact on neighborhoods by reducing the length of time properties are vacant and in bank inventories and to ensure that vacant properties are maintained.

Recently, the Justice Department, under the direction of Assistant Attorney General Tom Perez (a Montgomery County resident and former Montgomery County councilmember), has created a new Fair Lending unit that will focus exclusively on unfair lending practices, including both the unfair denial of minority access to home loans as well as any discriminatory efforts to target minorities for subprime loans. The increased efforts at the federal level will help ensure that unfair lending practices are addressed.

The County will continue its commitment to fair lending practices and its enforcement of existing laws to protect against unfair lending practices. As County Executive Isiah Leggett has said: “Homeownership is a basic dream held by many of our residents and their ability to be able not only to purchase that home legally but to remain in the home, should not be threatened by unscrupulous practices and practitioners.”

❑ Lack of general awareness concerning Fair Housing issues among residents and professionals in Montgomery County

Lack of general awareness concerning Fair Housing issues among residents and professionals in Montgomery County will always be noted as an “impediment” in acknowledgement of the fact that education concerning fair housing issues is an on-going activity. We are a county with a growing and increasingly diverse population, and, as such, education must be continuous, presented in a context that is relevant to current community concerns and presented in a manner that is linguistically appropriate and culturally sensitive.

With the current economy, characterized by increased unemployment and under-employment, and with the rise in the number of housing foreclosures and distressed housing sales, outreach and education about fair housing law is particularly important as investors acquiring distressed or foreclosed properties may be inexperienced landlords, and as owners who have experienced foreclosure may now be seeking affordable rentals.

Montgomery County licenses all residential, rental housing, and provides assistance and information regarding laws of importance to both landlords and tenants. DHCA provides extensive information on how to recognize and prevent discriminatory housing practices, including lending procedures and practices, fair housing requirements and additional information concerning occupancy standards and issues specifically related to fair housing for persons with disabilities. DHCA provides sample leases, a Landlord-Tenant Handbook (in English and Spanish), and an on-line apartment rental guide. The department works with landlords and tenants to resolve disputes and funds several nonprofits that provide additional information, training, counseling and service referrals.

The Office of Human Rights (OHR) conducts on-going outreach through a number of venues. There are always special activities planned in April as part of Fair Housing month, and most

recently, (during the fall of 2009), OHR undertook a fair housing ad campaign that entailed a series of awareness ads shown on movie screens in advance of feature films in two, large multiplex movie theaters in the county. The theater lobbies had an OHR display with handouts and information. OHR also has an ongoing “One Stop Fair Housing Shop” program that provides information through presentations directly to property managers and housing professionals. There was also additional outreach and fair housing education at the annual fall Fair Housing & Financial Fitness Day, held October 3, 2009.

OHR has been instrumental in reaching out to youth, both through the development of a fair housing curriculum incorporated into 10th grade social studies classrooms and, more generally, through Human Rights Diversity Camps for selected fifth graders that provide a weekend experience in inter-racial and inter-cultural understanding that works to address discrimination in all its forms.

Montgomery County is committed to ensuring that information is provided in alternative formats to meet the needs of persons with disabilities and in different languages for those with limited English proficiency. The County has, with leadership provided through the County Executive’s Office of Community Partnerships, worked to ensure that all government agencies, regardless of their nature or level of public interaction, are able to provide linguistically appropriate services that are culturally aware and competent. This effort is in compliance with federal requirements to provide meaningful access to persons with Limited English Proficiency but goes beyond these requirements to embrace the county’s growing diversity and to value the contributions of all residents.

❑ Shortage of comprehensive testing and study information on the fair housing environment in Montgomery County

The in-house fair housing testing program in the Office of Human Rights conducted 211 tests for Fiscal Year 2009. Tests were designed to identify disparate treatment under County and/or Federal Fair Housing laws and were designed to test on the basis of race, national origin, familial status and source of income. Based on the test results, there were a few cases with evidence of discrimination based on source of income that were deemed sufficient to pursue enforcement action as a violation of Chapter 27 of the Montgomery County Code. In these instances the housing providers indicated that Housing Choice Vouchers were not accepted for the requested rentals. One case has been closed while two others are open and still under investigation. A copy of the report can be accessed from the link below:

<http://www.montgomerycountymd.gov/hmrtempl.asp?url=/content/humanrights/fairhousing.asp>

The Office of Human Rights also focuses on educational activities, including training for landlords, real estate professionals, property managers and lenders.

The Montgomery County Interagency Fair Housing Coordinating Group works to facilitate and promote the County's efforts to prevent discrimination in housing. This group is involved in identifying impediments to fair housing choice and working to address these. In addition, as a member of the Metropolitan Washington Council of Governments, Montgomery County continues to be actively involved in the region in information sharing regarding fair housing and affordable housing issues.

It is noteworthy that congressional hearings will soon be held regarding H.R. 476, the Housing Fairness Act. If adopted, this Act will provide funds for both nationwide enforcement testing and for a research program to investigate the causes of segregation and segregation's economic and social impacts.

In conclusion, Montgomery County's Analysis of Impediments to Fair Housing Choice is not a static document, but one that provides a framework for action under broadly identified areas of concern. Choosing to work within this broad scope and framework reflects the County's long-term commitment to fair housing. While there are many successes, fully eradicating impediments to fair housing choice requires a long view. Eliminating the impediments identified in this update requires continuous effort on multiple fronts over many years.

In FY2010, actions taken to address identified impediments are on-going and respond to:

- changing conditions, like the foreclosure crisis and current economic recession;
- current concerns, like budget deficits and a complete count of residents for the decennial census; and,
- emerging opportunities, like technological advances that support expanded ways to communicate.

Within the mission of Montgomery County government and under the direction and leadership of County Executive Isiah Leggett, we are committed to pursuing the common good by working for and with the county's diverse community members to provide affordable housing in an inclusive community and to do so in keeping with essential values that include respect for the individual.

Affordable Housing

During the fiscal year the County had a goal of assisting 125 households. The actual number assisted was 1,392. These figures are supported by the Consolidated Plan Tables and IDIS report C04PR23 Summary of Accomplishments. The County continues to strive for maximum service while being faced with a decreasing amount of resources. By leveraging and partnerships with the nonprofit and private sectors resources an attempt is being made to increase the benefits to County residents.

Continuum of Care

Actions taken to address the needs of homeless persons and those with special needs who are not homeless but require supportive housing: insert material being provided by HHS

Other Actions

Addressing Obstacles to Meet Underserved Needs

A concerted effort has been made to coordinate with other County agencies and community groups in both the identification of needs and the resources available to meet these needs. The goal, in a time of diminishing resources, is to maximize effect through the elimination of duplication and employment of economies of scale when possible to serve the largest number of residents possible.

Fostering and Maintaining Affordable Housing

The Moderately Priced Dwelling Unit Program (MPDU), the County's nationally known housing program, continues to ensure that all developments of 20 units or more will contain affordable units. Efforts using HOME funds have emphasized approving projects that serve the lowest income groups possible.

A concerted effort has been made to preserve existing affordable housing through a code enforcement program that results in the annual rehabilitation of approximately 30 homes. DHCA's Office of Landlord/Tenant Affairs requires licenses for all rental units and provides dispute mediation. It has published a Landlord/Tenant Handbook which spells out the rights and responsibilities of both landlords and tenants. The Office of Landlord-Tenant Affairs works closely with the Housing Code Enforcement Section to ensure tenants have housing that is in compliance with all applicable County laws. The Montgomery County Tenants Work Group (TWG), appointed and first convened in 2008 by County Executive Isiah Leggett, recently completed a thorough review in May 2010 of the primary issues impacting renters in the community (A full report is available on the County's website here: http://www.montgomerycountymd.gov/Content/EXEC/TWG/pdf/twg_report_3-2010.pdf) All of this represents a comprehensive effort which is necessary to preserve our affordable housing supply.

Eliminate Barriers to Affordable Housing

To address this issue, Montgomery County Executive Isiah Leggett formed the Affordable Housing Task Force by issuing Executive Order 84-07 on February 28, 2007. Recognizing that a lack of affordable housing will have crippling effects on Montgomery County's residents, communities, and economy, County Executive Leggett brought together a group of dedicated representatives and individuals from all sectors of Montgomery County and the region to form the task force. Housing experts and advocates, representatives of the financial and development industry, builders, housing providers, planners, community members and representatives of governmental departments and agencies all came together to consider the issues and potential solutions.

The following provides the status of the implementation of the recommendations of the Affordable Housing Task Force.

ISSUE 1: PRESERVE AFFORDABLE HOUSING

Recommendation: Create a Short Term Property Acquisition Fund.

Implementation: Develop and fund an instrument to provide short term acquisition financing for public, nonprofit, and for-profit agencies.

Status and Timeline:

Completed January 2008: Technical Paper developed by Affordable Housing Task Force.
Completed July 2008: FY 2009 Budget includes \$25M Bond issue for Housing Initiative Fund to support acquisitions.

January 2009: First use of the Acquisition Fund – a \$3,635,000 loan to Montgomery Housing Partnership for the purchase of Maple Towers apartments.

Ongoing: To date, the Short Term Property Acquisition Fund has been used to make seven loans totaling \$15.7 million. The seven loans helped with the acquisition of 143 units,

including 117 affordable units. Three additional loans totaling \$8.3 million are in the pipeline with formal funding commitments, and will help in the acquisition of 76 affordable housing units.

Recommendation: Create a revolving equity fund.

Implementation: Develop legislation to create a revolving equity fund and incorporate a managing board.

Status and Timeline:

Completed January 2008: Technical Paper developed by Affordable Housing Task Force.

Spring/summer 2008: met with OMB and financial consultants.

Winter/spring 2009: Identify structural needs and timeline for implementation of fund, and assess impact of the current economy on fund potential.

Winter 2009/10: Prepare FY 2011 Budget to include Bond financing for fund.

Recommendation: Work proactively with owners of developments that provide affordable housing.

Implementation: Create an “early warning system” to head off the loss of affordable housing inventory.

Status and Timeline:

Ongoing: DHCA has updated its comprehensive list of price and income controlled multifamily properties to include federal, state, and County assisted and regulated multifamily housing. Staff verified the accuracy of all information and created a searchable, geocoded database of affordable housing in spring 2010. DHCA also maintains close contact with apartment owners and industry and owners to get advanced notice of potential sales. DHCA, by law, is notified of contract sales or conversions of multifamily housing.

Implementation: Develop a range of tools and incentives that can be used to preserve endangered affordable housing.

Status and Timeline:

Ongoing: DHCA is making use of the new HIF acquisition funding, and continuing to use Housing Code Enforcement, Multifamily Rehabilitation Loans and assignment of right-of-first-refusal contracts to nonprofit housing providers to promote extended affordability in housing developments.

ISSUE 2: CREATE AFFORDABLE HOUSING

Recommendation: Add “Increasing Affordable Housing” as a new objective in all master plans.

Implementation: Secure an agreement with M-NCPPC to address affordable housing in all future master and sector plans.

Status and Timeline:

Completed: DHCA now comments on all master plans and sector plans, advocating that affordable housing be addressed in the plans, and that M-NCPPC establish an “affordable housing goal” in each plan area.

Ongoing: DHCA meets regularly with M-NCPPC Planning Director and staff to discuss this recommendation and other housing and neighborhood revitalization related issues.

Ongoing: DHCA is the lead agency in working with M-NCPPC on the Housing Element of the General Plan – adopted by the Planning Board on July 23, 2009. The draft Housing Element will be transmitted to the County Executive and County Council in the immediate future.

Recommendation: Investigate and Implement the use of an affordable housing impact fee or a reasonable alternative on all new non-residential development.

Implementation: After research and analysis of other jurisdiction’s programs, draft legislation.

Status and Timeline:

Completed January 2008: Technical Paper developed by Affordable Housing Task Force.

December 2008: Met with M-NCPPC Planning Director and staff to discuss this recommendation and develop joint steps to achieve goal.

July 2009: The draft Housing Element of the General Plan includes a statement that “the regulatory system should link provision of housing to nonresidential development by encouraging mixed uses or *a fee-in-lieu payment to the County’s Housing Initiative fund*”. (emphasis added)

September 2009: Establish group to develop work program and implementation timeline (DHCA, M-NCPPC, DED, Chamber of Commerce).

Recommendation: Create a more attractive planning and economic environment for the development of affordable housing.

Implementation: Develop zoning text amendments to increase heights, densities, FAR, and provide more flexibility.

Status and Timeline:

Completed January 2008: Technical Paper developed by Affordable Housing Task Force.

Completed August 2008: ZTA 08-08 becomes effective allowing additional height in the Fenton Village Overlay Zone for Workforce Housing.

Continuing: Study and draft ZTAs to respond to additional needs for height, density and flexibility.

Continuing: Study and draft ZTAs to respond to additional needs for height, density and flexibility. M-NCPPC, with DHCA input on affordable housing issues, is pursuing a rewrite of the County Zoning Ordinance. One important initiative is the creation of a new mixed-use CR Zone that permits height and density incentives in return for providing public amenities including affordable housing.

Implementation: Develop amendment to the zoning process to allow zoning map amendments in a timelier manner.

Status and Timeline:

January 2009: Met with Planning Board Chairman and M-NCPPC Planning Director to discuss the AHTF recommendation that may be addressed in the zoning ordinance rewrite.

Implementation: Amend subdivision and site plan process to consolidate reviews of Affordable Housing.

Implementation: Amend impact tax laws to allow additional tax waivers for Affordable Housing.

Status and Timeline:

Winter/Spring 2009: Worked with M-NCPPC Planning Director and staff to discuss these recommendations as part of the drafting of the 2009-11 Annual Growth Policy.

Recommendation: Reduce parking requirements for housing developments.

Implementation: Develop a zoning text amendment to revise parking requirements in certain areas.

Status and Timeline:

Completed January 2008: Technical Paper developed by Affordable Housing Task Force.

July 2008: Discussed issue (briefly) with Council Transportation & Environment Committee as part of overall review of County parking requirements

3rd Quarter FY 2009: Convene working group (DHCA, DOT, RSCs, MNCBIA)

4th Quarter FY 2009: Draft and submit ZTA amending parking requirements

Recommendation: Develop a comprehensive inventory of all publicly owned sites and properties.

Implementation: Create inventory of sites and evaluate for potential development of affordable housing.

Status and Timeline:

Ongoing: The Office of the County Executive convened Department of General Services and Office of Risk Management, and M-NCPPC staff to develop a comprehensive inventory.

Implementation: Evaluate all capital development projects for potential inclusion of affordable housing.

Status and Timeline:

Ongoing: All capital development projects are now assessed for potential affordable housing development. Projects that are planned to include housing are the Silver Spring Library and the 3rd District Police Station. The RFP for the 2nd District Police Station asks for an option of including mixed income housing in a joint development

ISSUE 3: ADOPT REGULATORY REFORM

Recommendation: Expedite regulatory reviews.

Implementation: Amend development process to expedite review of affordable housing.

Status and Timeline:

Ongoing: Meeting with M-NCPPC Planning Director and staff to discuss this recommendation and develop joint steps to achieve goal.

Recommendation: Permit accessory apartments by right, subject to conditions.

Implementation: Develop zoning text amendment to allow accessory apartments by right, adding conditions for administrative approval.

Status and Timeline:

Spring/Summer 2009: A draft Zoning Text Amendment was reviewed by the staff ZTA Review Group and submitted to the County executive for transmittal to County Council.

July 2009: The draft Housing Element of the General Plan contains the following Policy: “2.4 Allow accessory apartments in residential zones by-right under appropriate design standards and conditions.” M-NCPPC indicates that the Zoning Ordinance rewrite will support by-right accessory apartments in residential zones.

Recommendation: Establish a centralized authority for affordable housing.

Implementation: County Executive should designate a single point of contact for coordination of affordable housing efforts.

Status and Timeline:

Completed: The County Executive has confirmed that the Director of the Department of Housing and Community Affairs is the designated staff person for coordination of affordable housing projects and programs.

ISSUE 4: ACHIEVE COMMUNITY ACCEPTANCE OF AFFORDABLE HOUSING

Recommendation: Promote well-designed, low-impact affordable housing to foster public acceptance.

Implementation: Work with M-NCPPC and DPS to promote good design and positive community impacts from affordable housing.

Status and Timeline:

December 2008: Met with M-NCPPC Planning Director and staff to discuss this recommendation and develop joint steps to achieve goal.

Spring 2009: Convene study group to develop County design guidelines for affordable housing development.

Recommendation: Develop and implement an extensive community support campaign.

Implementation: Through a RFP process, solicit a plan for the development and implementation of a public education program for affordable housing.

Status and Timeline:

Due to current resource restrictions and staff workload requirements associated with implementing ARRA stimulus package programs, we recommend delaying this initiative until FY 2012.

ISSUE 5: GOALS FOR AFFORDABLE HOUSING PRESERVATION AND PRODUCTION

Recommendation: Establish affordable housing preservation and production goals.

Implementation: Convene service providers and advocates to review and assess the County’s current affordable housing productions goals and recommend new goals

Status and Timeline:

Spring 2009: Convene stakeholders to review existing annual production and preservation goals.

Winter 2009-10: Adopt revised annual production and preservation goals..

ISSUE 6: HOME PURCHASE ASSISTANCE FOR PUBLIC EMPLOYEES

Recommendation: Establish a program to assist county employees in purchasing a home in the County.

Implementation: Submit request for State enabling legislation to permit property tax, transfer tax, and recordation tax waivers for County employees.

Status and Timeline:

Completed fall, 2008: Convened stakeholders to determine steps for overcoming impediments to implementing home purchase assistance program.

Completed October 2008: Local Bill filed to permit Montgomery County to set rates and terms for abatement of property taxes, transfer taxes, and recordation taxes.

Implementation: Initiate participation in the State House Keys 4 Employees (HK4E) program.

Status and Timeline:

Completed, October 2008: State DHCD approved County participation in HK4E program, announced by CE and Council President on 12/1/2008.

Completed, January 2008: Employee Closing Cost Assistance Program begun – administered by HOC. HK4E program becomes available to eligible County employees.

June 2009: From January through June 2009, 44 new loans were made by the County Closing Cost Assistance Program, a 550 percent increase in the number of loans from the first half of FY 2009.

Ongoing: Office of the County Attorney has concluded that implementation of an expanded employee closing cost assistance program, a program not restricted by income level or sales price of house, will require new legislation and Executive regulations. The Office of the County Attorney is currently preparing draft legislation and regulations to implement this recommendation.

OTHER ISSUES:

Amend Voluntary Rent Guideline to Reflect Owner-Paid Energy Costs

The apartment management industry has asked the Department to study an amendment to the County's Voluntary Rent Guideline process to permit recognition of owner-paid energy costs. After reviewing available data sources on energy costs and the portion of residential expenses represented by energy, the Department has not found a uniform, documented data sources for such information. The Department does not believe that an equitable system for accounting for landlord paid utilities can be implemented. The

Department, instead, will work with the industry to educate residents about energy costs and increase the energy efficiency of multifamily housing in the County. The 2010 Voluntary Rent Guideline was announced in February 2010 and was set at 2.8 percent.

Governor O'Malley announced initiatives that include the "Bridge to HOPE" Loan Program, which provides small gap loans at zero percent interest to homeowners facing difficulty, giving them time to get back on their feet or find a solution. The statewide program is administered by the Maryland Department of Housing and Community Development's Community Development Administration (CDA).

Governor O'Malley also announced an emergency regulation that makes Maryland the second state in the country to require loan servicers to file detailed monthly disclosure reports about their loss mitigation and loan modification efforts. The reports outline the precise nature and extent of the actions being taken to assist homeowners who have defaulted on loans.

Governor O'Malley's legislative package and regulatory proposals included legislative and regulatory proposals and bills that:

Improve the regulation of mortgage industry professionals and reform lending practices by:

Banning pre-payment penalties for sub prime loans;

Assuring a borrower's ability to repay a loan and verify sources of income; and

Increasing the mortgage licensing requirements, including the surety bond requirement for mortgage lender licensees and institute a minimum net worth requirement.

Create a criminal mortgage fraud statute that covers all potential actors engaged in mortgage fraud.

Modify the Protection for Homeowners in Foreclosure Act (PHIFA), which was passed in 2005, by banning the conveyance of real property in the foreclosure rescue context.

Reform the foreclosure process by:

Requiring a lender to wait 90 days after default before filing the foreclosure action;

Sending a uniform Notice of Intent to Foreclose to the homeowner 45 days prior to filing an action; and

Requiring personal service to notify a homeowner of impending foreclosure and require that a sale may not occur for 45 days after service.

Reform lending practices in Maryland by:

Requiring a duty of good faith and fair dealing for mortgage industry professionals;

Requiring brokers and lenders to show a reasonable net tangible benefit for borrowers when refinancing;

Tracking rates of default and foreclosure of mortgage industry professionals; and

Strengthening the experience requirement to obtain a license.

Evaluating and Reducing Lead-Based Paint Hazards

They are approximately 47,000 thousand units built prior to 1950 and 162,000 units built between 1950 and 1978, although current figures are not available for the numbers of these units that may be occupied by lower-income households. (The federal government banned lead-based paint from housing in 1978.)

According to Maryland law (effective October 1, 2004) all residential rental properties in Montgomery County have to meet the requirements of the state Lead Poisoning Prevention Program in order to be licensed. Properties built before 1950 have to provide proof to DHCA of their registration with the Maryland Department of Environment (MDE) or proof that the rental property is lead free.

Fact sheets regarding the specifics of Maryland and federal law and other materials regarding lead paint are provided to all rental property owners. Under the Housing Choice Voucher program, both the participating landlord and family sign a statement containing a disclosure of known information on lead-based paint and/or lead-based paint hazards in the unit, common areas or exterior painted surfaces and that the owner has provided the lead hazard information pamphlet to the family.

In addition to testing residences, young children are tested for possible exposure to lead paint. The County's Department of Health and Human Services (DHHS) has a program in partnership with the state for testing and case management for children who have elevated blood lead levels (at least 10 micrograms per deciliter) and promotion of lead safe environments through education and outreach. There are very few children in Montgomery County who have elevated blood lead levels and, upon investigation, exposure has more often come from outside the county and/or from non-housing sources, such as toys. In partnership with federal and state governments, the County, public housing authorities and other partners educate and outreach to schools, child care facilities, landlords, residents, and the medical community about lead poisoning.

The United States Environmental Protection Agency's Renovation, Repair and Painting Final Rule (created under the authority of the Toxic Substances Control Act (section 402(c)(3) of TSCA) and becoming effective April 22, 2010) contains new rules regarding environmental lead exposure when working on existing housing units. The County's new low-income, home-weatherization program, funded the American Recovery and Reinvestment Act through the U.S. Department of Energy, is training and certifying six DHCA employees to oversee weatherization efforts. The training covers all major aspects of the EPA's Renovation, Repair and Painting Final Rule.

Reducing the Number of Persons Living Below the Poverty Level

This also falls into the category of interagency coordination. DHCA has worked with many agencies including the Department of Health and Human Services and the Housing Opportunities Commission to identify need and to allocate resources. The public service component of the project list is evidence of the fact that a majority of our effort is to support and, where possible, create self-sufficiency. This is an effort that will not have a satisfactory conclusion until there are no families at or below the poverty level.

Among efforts that help reduce the number of persons living below the poverty level is the Family Self Sufficiency Program run by the Housing Opportunities Commission (HOC). This program helps public housing and HCV families achieve self-sufficiency over a five to seven year period. The program is intended to end dependency on welfare assistance. The program serves up to 441 families annually who enroll on a voluntary basis and agree to case management services and other services. Participants are able to establish escrow accounts to be used for educational purposes and homeownership. Since its inception in 1993, the total number of graduates is 689 (127 of whom purchased homes when they graduated).

Overcome Gaps in Institutional Structures and Enhancing Service Coordination

Quarterly leadership forums bring managers and key staff from all County departments together to identify opportunities for collaboration and define priorities. In addition, the County has implemented a new planning and appraisal process for senior management stressing results-oriented outcomes and pay-for-performance, with an emphasis on teamwork, cooperation, and collaboration to ensure that departments work together.

Interdepartmental teams have been formed. The key ideas embodied in this program are:

- Neighborhood based services customized to neighborhood needs
- Partnership with neighborhood leaders and organizations
- Intervention in at-risk neighborhoods
- Nurturing of involvement and leadership from the multi-cultural community, particularly the immigrant community.

Fostering Public Housing Improvements and Resident Initiatives

Funding is provided for public housing units managed by local municipalities, HOC and the County. The goal is a standard of living that is equitable for all. This involves resident input to ensure that real concerns are addressed and not what government has perceived as being a problem. Input is gathered through a variety of means. HOC's Resident Advisory Board conducts a survey of all public housing, 236 properties and some opportunity housing developments for the past 4-5 years, as well as employing HUD's new Customer Service and Satisfaction Survey. Focus is on maintenance, adequacy of supportive services and property management, and general HOC customer service. Public hearings, discussions with Resident Advisory Boards for public housing and Section 8 and regular meetings convened by HOC keep the lines of communication open. Numerous self-sufficiency and education programs, supported with public funds, result in greater effort by residents to speak out on those issues affecting their families with regard to their living conditions.

Priority Public Housing Needs

The Housing Opportunities Commission maintains its Public Housing units to meet or exceed community and County standards. However, due to years of inadequate federal support of Public Housing, coupled with the age of the properties, the portfolio still has a great need. HOC projects that in the period of fiscal years 2010 through 2015, the agency's Public Housing stock has a capital need of about \$26.2 million beyond the annual Capital Fund program grants provided each year by HUD.

Ensure Compliance with Program and Comprehensive Planning Requirements

There has been increased collaboration between homeless providers and the affected County Departments in terms of continuum of care. The goal is more affordable housing which necessitates scrutiny of all aspects of housing production/retention in the County. In addition, supportive services such as substance abuse prevention/treatment efforts are provided. These issues are an integral part of the **Report and Recommendations of Montgomery County's Affordable Housing Task Force** dated March 2008. This document, along with follow-up actions, is referenced in this CAPER as well as in the latest Consolidated Plan dated May 15, 2010.

Leveraging Resources

The County was able to leverage federal funds at a rate of 5:1 by using County, State and private funds. This rate represents a slight decline from recent years due to the increasing cost of all projects which has exceeded the increase in funds for projects. As noted in the HOME and ESG match reports included in this submission all matching requirements were met.

Public Participation/Citizen Comment

A total of \$7,859,281 (including \$1,085,858 of program income) was available during the fiscal year for citizens countywide.

All public service projects list the number of persons served and a summary of all persons served is provided.

All public facility and improvement projects indicate progress made during the fiscal year.

No comments from citizens were received during the comment period.

Self-Evaluation of Accomplishments

The County continues to use federal funds to serve low and moderate income County residents in excess of HUD guidelines (over 85% of funding for these groups). In general funds are being spent in a timely fashion; however, staff continues to work to improve the rate at which funds are drawn down. Grantees slow to draw down funds risk having those funds recaptured for reallocation to other activities. Delays are often the result of the complexity of the undertaking regarding design, engineering, legal and other professional services in the case of commercial revitalization or newly constructed housing or public facilities, for example, as well as the need to coordinate many sources of funds and receive consensus among many diverse stakeholders. In those instances where this is not the case the problems usually are the result of permitting delays, faulty project designs or failure of grantees to provide adequate delivery of services. The County has adopted accounting and financial systems that have reduced the time required to produce checks in payment for approved services and materials.

We are continuing to work with HUD in using the IDIS reporting system that provides online delivery of information regarding our performance.

The County closely monitors the assignment of resources to specific goals and objectives. Each of the project listings note the specific objective and performance measurement that is being satisfied in carrying out the project. The Community Development Advisory Committee that approves the project funding offers a public perspective to the efforts being made to meet needs. Over 85% of the funding was used to serve low/moderate persons.

During the period covered for this report (July 1, 2009- June 30, 2010) there were no changes in program objectives and all available resources noted in the Consolidated Plan were utilized. In addition the County provided Certifications of Consistency for numerous nonprofits and housing agencies seeking funding from Federal sources.

The County did not hinder plan implementation by any action or willful inaction.

ACCOMPLISHMENT DATA FROM IDIS REPORTS (COMPLETE REPORTS IN INDEX OF THIS DOCUMENT)

| Race/Ethnicity | Persons | |
|--|---------|----------|
| | Total | Hispanic |
| White | 8,485 | 5,941 |
| Black/African American | 6,021 | 175 |
| Asian | 8,523 | 12 |
| American Indian/Alaska Native | 57 | 0 |
| Native Hawaiian/Other Pacific Islander | 39 | 0 |
| American Indian/Alaskan Native & White | 58 | 41 |
| Asian & White | 26 | 0 |
| Black/African American & White | 18 | 0 |
| Am. Indian/Alaskan Native & Black//African Amer. | 124 | 10 |
| Other multi-racial | 3,454 | 647 |
| Asian/Pacific Islander (valid until 03-31-04) | 27 | 0 |
| Hispanic (valid until 03-31-04) | 121 | 121 |
| Total | 26,953 | 6,932 |

Percentage of Low-Moderate Benefit 85.91%

Percentage of Funds for Public Service Activities 9.04%

Percentage of Funds for Planning/Administration 16.76%

Details of all projects funded with CDBG, HOME and ESG funds are included in the body of this report.

Monitoring Standards and Procedures

Montgomery County receives annual allocations from the Federal CDBG, HOME and ESG Programs. Monitoring standards and procedures for each program are described here.

CDBG and ESG activities are monitored according to program requirements. Sub-recipients and contractors are required to submit periodic progress and financial reports and submit quarterly benefit data reports. DHCA staff maintains regular telephone contact with

Sub-recipients and contractors. Occasionally, staff will monitor projects as a joint effort with staff from other County Departments.

Staff provides technical assistance at the time contracts are drafted to ensure that all contractors are familiar with and understand program requirements. Topics discussed include income/beneficiary documentation, reporting, files and records management, invoicing for payment and timely expenditure of funds. In addition, staff members attend events sponsored by the sub-recipients/grantees related to programs that receive funding.

HOME: Montgomery County is responsible for ensuring that all HOME program funds are used in accordance with the program requirements. The County executes written agreements and performs monitoring of its contractors. The County will monitor all activities assisted with HOME funds to assess compliance with ongoing program requirements.

The County has updated its internal tracking system for HOME projects to follow the timing of required cyclical inspections automatically generating requests for information, receipt of audits and benefit data reports.

The County is also subject to review by outside auditors. The current contract calls for programmatic and financial audits to be conducted annually.

MONITORING RESULTS

Monitorings are conducted for most first year contracts and for second and third year contracts where there may be some concern about a grantee's performance or ability to effectively and efficiently carry out its contract duties. These monitorings usually take place in the field at the offices of the grantee, although in some instances, they are conducted at DHCA. These sessions average one hour in length and include review of files as well as current procedures/standards as required by HUD. Time is taken for any questions from the grantee as well as for technical assistance as necessary. A monitoring form is completed for each visit and is included in each case file. A blank copy of the form is included in the Appendix of this report.

Program Narratives

CDBG Program

Assessment of Goals and Objectives

For program year 2009 (the County's Fiscal Year 2010, running from July 1, 2009 to June 30, 2010) the County used CDBG funds for core services, including education, public services and public health and safety. There also continued to be a sustained commitment to affordable housing. Locally, the County allocated \$57.8 million to the Housing Initiative Fund in program year 2009, a nine percent increase from the prior year and substantially more than the FY2008 funding level of \$34 million. Also, services are being enhanced to support the County's increasingly diverse population, including targeted health programs for the Asian and Latino communities and expanded interpreter and translation services throughout County government.

Clearly, however, needs in the aggregate far outweigh available revenues. The County continues to strive to do the best it can with the limited resources available.

The County was able to exceed its goal for persons and households being served – the goals being 7,132 and 125 respectively. IDIS C04PR23 shows that 26,864 persons and 1,392 households were served. Demographic details of the beneficiaries are included in the IDIS report found in the Appendix and show that they are diverse.

The Financial Summary Report (C04PR26) shows that 85.91% of persons served were of low/moderate income.

There were no changes in program objectives during the fiscal year.

A map showing low and moderate income areas is included in the Action Plan section of this report.

Neighborhood Revitalization Strategy (NRSA)

As noted in IDIS – C04PR84 the County did not have an identified NRSA.

Section 108 Loan Guarantee

The County did not participate in the Section 108 Loan Guarantee Program.

HOME Program

Assessment of Goals and Objectives

The highest priority for the use of HOME funds is the creation/preservation of affordable housing. To this end all funds were used for this purpose.

IDIS C04PR23 notes that 295 households benefitted from new or preserved units using HOME funds.

Match Report

The completed report is included in the Appendix to this document.

MBE and WBE Report/Annual Performance Report

HUD's Contract and Subcontract Activity reports detailing minority and women owned enterprises and the Annual Performance Report are included in the Appendix to this document.

HOPWA

Effective April 2008, the State of Maryland assumed grantee responsibilities for the HOPWA program in Montgomery County. From July 2003 - March 2008, the City of Gaithersburg - as the most populous municipality in the Bethesda-Frederick-Gaithersburg Metropolitan Division - was the grantee. Although the City of Frederick became the official grantee in 2007, a statutory change in the legislation allowed the State to assume all grantee responsibilities on behalf of the entitlement jurisdiction. The Maryland Department of Housing and Community Development includes HOPWA information in the State's annual Consolidated Plan; however, the Maryland Department of Health and Mental Hygiene (DHMH) is responsible

for preparing the Consolidated Annual Performance and Evaluation Report (CAPER). In Montgomery County, the Department of Health and Human Services (HHS) acts as a sub-recipient of HOPWA funds, providing tenant based rental assistance (TBRA) to 77 County residents who are housed in 43 subsidized units [as of 06/30/2010]. In addition to TBRA, HHS provides health care, case management and other supportive services to eligible households. For FY10 HHS reports spending \$458,363 of HOPWA funds for TBRA.

**Montgomery County Department of Health and Human Services
HIV/STD Services, HOPWA Program
July, 1 2009 - June 30, 2010**

| <u>Numbers Assisted</u> | <u>July 2009</u> | <u>June 2010</u> |
|--|------------------|------------------|
| Number of family units: | 38 | 43 |
| Number of persons with HIV/AIDS: | 45 | 49 |
| Number of other persons in units: | 28 | 28 |
| Total number of persons assisted: | 73 | 77 |

ESG

Assessment of Goals and Objectives

As noted under the project listings all ESG funds were used for activities that addressed needs of homeless persons and homeless prevention goals. To this end all funds were used for this purpose.

The County was unable to exceed its goal for persons being served. The goal was 410. As noted in this report 189 persons were served. The discrepancy is based on the uncertainty of the actual numbers for homeless persons.

Matching Resources

The County has committed in excess of \$1 million of its funds (match requirement of \$225,636 on a one-to-one basis) to address the problem of homelessness. The Department of Health and Human Services provides core services that protect the community's health, the health and safety of at-risk children and vulnerable adults, and address basic human needs including food, shelter, clothing and personal care.

Activity and Beneficiary Data

IDIS reports 12, 19, 20 and 81 are included for the purpose of detailing the persons served under this program.

Shelter and Services for the Homeless

For the homeless or those threatened with homelessness, housing choices are not only limited by affordability considerations but also by the need for supportive services. A point-in-time survey was conducted in January 2009 and indicates that Montgomery County has a homeless population of 1,247. The survey also shows that 26% are severely mentally ill and 9% are victims of domestic violence. Issues related to the special needs of the homeless recuperating

after hospital discharge or those in need of health services like dental and vision care or with illnesses such as tuberculosis or HIV/AIDS have also been identified as priorities. Public services that support families, especially those benefiting children and youth and those addressing needs of the ethnically and linguistically diverse immigrants to the county, are identified as priorities, as are services for the elderly

Montgomery County has adopted a “Housing First” approach, which includes three main outcomes: prevention of homelessness, reduction in the length of time of homelessness, and decreased recidivism. The Partnership for Permanent Housing (PPH) (<http://www.mcch.net/programs/pph.html>) is an implementation tool for the Housing First approach. It reduces the amount of time families and individuals spend in homelessness by combining the case management component of transitional housing programs with quicker access to permanent housing. Other actions to implement the Housing First approach includes the conversion of two emergency shelters into assessment shelters and the redesign of their intake and assessment processes to more quickly place homeless families and individuals into housing with supportive services. You can find more information on Housing First from the Montgomery County Department of Health and Human Services - <http://www.montgomerycountymd.gov/hhstmpl.asp?url=/content/hhs/index.asp>. The need for year-round shelter and safe havens for those single homeless persons who are unwilling or are unable to assume the responsibilities inherent in participation in the county’s system of social services continues to be a priority.

Homeless Discharge Coordination

Montgomery County has multiple systems of care that are coordinated in a manner to minimize the extent to which individuals leaving institutions are discharged into homelessness. This is primarily true with respect to those individuals who were housed prior to entering the institution, and to a lesser extent for those who were homeless at the time of entering an institution.

The interaction between the Homeless Services System, the Behavioral Health System, and the Criminal Justice System are coordinated through several mechanisms. On a policy level, the Criminal Justice Behavioral Health Steering Committee addresses these issues through programs implemented to target the issues of mentally ill individuals who are interacting with the criminal justice system. Systemic interventions are made to assure that these individuals are properly assessed and receive the most appropriate level of resource necessary. As the programs have become more of a system, it has decreased the frequency that individual’s fall through the cracks into the homeless system.

Specific accomplishments of the Criminal Justice Behavioral Health Steering Committee to date are:

- Establishing a data committee that did a study of “frequent flyers,” offenders with behavioral health issues that are frequent users of multiple systems. Examining the data from multiple systems, including the mental health, criminal justice and HMIS, the committee documented two different groups of high users. The information on the high users will now be used to target diversion, assessment, treatment and after-care re-entry planning to hopefully reduce the re-incarceration of this population.

- Participation in the creation of a Drug/Behavioral Health Court on a steering committee being convened by Judge Rupp of the MC Circuit Court. Judge Rupp agreed to join the CJBHI and to secure funding for training to help with implementation.
- Providing full day of training to all stakeholders by Joan Gillece from the MD Department of Mental Health and Mental Hygiene Administration on Trauma; David Wertheimer from Seattle and Michael Allen from the Bazelon Center on Housing Issues.

The Behavioral Health System in Montgomery County was reorganized, with the leadership of the Director of Health and Human Services, in order to provide better services to customers. One product of that reorganization was the formation of a Department of Behavioral and Crisis Services, which combines services for people with mental health, addiction, homelessness and domestic violence under one service area. One intended consequence of expanding this service area was to ensure that clients were not falling through the cracks, getting shifted from one system of care to another without adequate discharge planning and coordination.

The Director of Behavioral Health and Crisis Services charged a Co-occurring Disorders Steering Committee (CDSC), to develop a MC Charter or Consensus Document to achieve the goal of developing a continuous, comprehensive integrated system of care for individuals with co-occurring psychiatric and substance abuse disorders. Many of the chronically homeless have co-occurring disorders. The purpose of this Charter is to ensure that those with co-occurring disorders are better served by public mental health and addiction services, and that they are able to achieve and sustain good outcomes.

Coordination and increased communication of stakeholders has resulted from regular meetings of the Co-occurring Disorders Steering Committee (CDSC). Community wide training in the CCISC Model has been implemented through a Train the Trainers model for representatives from various organizations so that they can take the CCISC model back to their sites and train others.

An on-going policy discussion between the five general hospitals, the state hospital, and the Core Services Agency which is responsible for system planning and management has resulted in increased standardization in after-care planning. New strategies include a MOU with a nursing home for homeless clients being released from hospitals who need additional care. They can access up to 30 days in nursing homes with cost being born by hospital. Consistently, all efforts are now made to connect individuals with the most stable housing arrangement possible following discharge.

Other Attachments and Narratives

Relocation

The County did not carry out any activities that necessitated relocation or relocation assistance.

Economic Development

The County did not carry out any activities that involved job creation.

Limited Clientele

The County did not carry out any activities that served Limited Clientele not falling into one of the categories of presumed limited clientele low mod benefit.

Program Income

- All program income was applied to housing rehabilitation activities
- There were no float funded activities
- Loan repayments were received from single and multi-family accounts and group home accounts
- Receivables are reported in accounting records
- The County did not participate in a Lump Sum Agreement

Rental Housing

Vacancy Rates - (source – Rental Facility Report 2009 DHCA. The 2010 Rental Facility Report was not prepared at the time of publishing).

A vacant unit is defined as a unit offered for rent, but not leased as of April 1, 2009.

The Department of Housing and Community Affairs, Licensing and Registration Unit, annually conducts a survey of all multifamily rental facilities in Montgomery County with twelve or more rental units. The survey requests information about the number of vacant units on the first of April each year and turnover rental rates, which are rents offered to prospective tenants for vacant units.

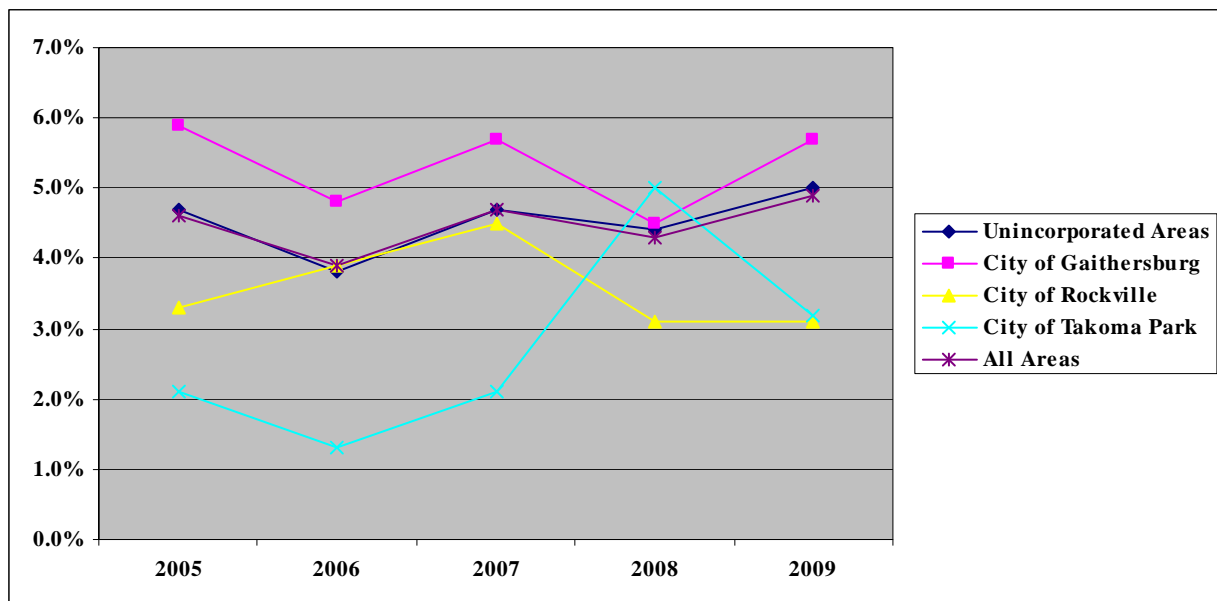
Highlights – Market and Subsidized Units

- The Countywide vacancy rate for all surveyed units was 4.9 percent in 2009, an increase of 0.6 percentage points from the 4.3 percent vacancy rate in 2008.
- Vacancy rates in two of the incorporated municipalities increased in 2009. The City of Gaithersburg experienced a 1.2 percentage point increase with the vacancy rate in 2009 rising to 5.7 percent. The City of Rockville, also, had a small increase in its vacancy rate, moving from 3.1 percent in 2008 to 3.2 percent in 2009. The City of Takoma Park saw a 1.8 percentage point decline with the vacancy rate falling to 3.2 percent.
- Vacancy rates by bedroom size ranged from a low of 2.1 percent for 4 bedroom plus units to a high of 5.4 percent for one bedroom units. Efficiency units had a vacancy rate of 4.3 percent; two bedroom units had a vacancy rate of 4.6 percent. The vacancy rate for three bedroom units was 4.1 percent.
- The Rockville market area had the tightest market of the major market areas, with a vacancy rate of 3.8 percent, 1.1 percentage points below the countywide average. The highest vacancy rate of the major market areas was found in Germantown-Gaithersburg at 5.8 percent, 0.9 percentage points above the countywide average.
- Vacancy rates by structure type ranged from a low of 4.1 percent for townhouse/piggybank units to a high of 5.1 percent for high-rise buildings.

Highlights – Market Rate Units

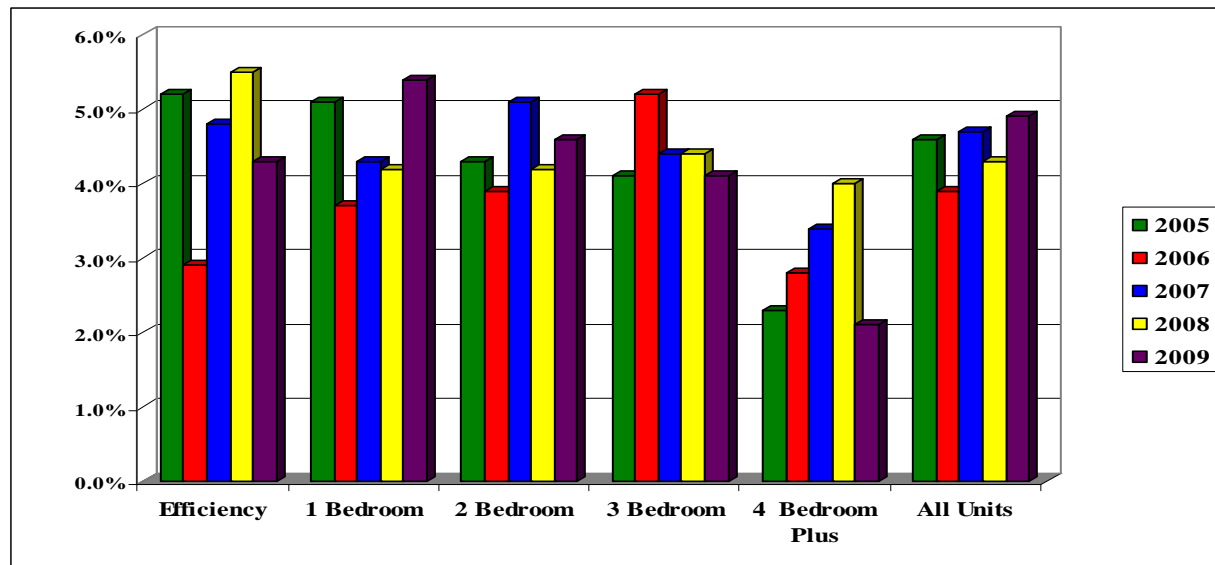
- The countywide vacancy rate for market rate units was 5.2 percent in 2009, an increase of 0.7 percentage points from the 4.5 percent vacancy rate in 2008.
- Silver Spring-Takoma Park was the tightest major market area with a vacancy rate of 4.0 percent. Germantown-Gaithersburg had the softest market of the major market areas with a vacancy rate of 6.4 percent.
- High-rise buildings had the highest vacancy rate at 5.6 percent. Mid-rise apartment units had the lowest vacancy rate at 4.1 percent.
- Vacancy rates by turnover rent range went from a low of 3.5 percent, in units with rents between \$1,200 - \$1,299, to a high of 7.9 percent in units with rents over \$2,000.

Vacancy Rates by Jurisdiction 2005-2009



| | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> |
|----------------------|-------------|-------------|-------------|-------------|-------------|
| Unincorporated Areas | 4.7% | 3.9% | 4.7% | 4.4% | 5.0% |
| City of Gaithersburg | 5.9% | 4.8% | 5.7% | 4.5% | 5.7% |
| City of Rockville | 3.3% | 3.9% | 4.5% | 3.1% | 3.1% |
| City of Takoma Park | 2.1% | 1.3% | 2.1% | 5.0% | 3.2% |
| All Areas | 4.6% | 3.9% | 4.7% | 4.3% | 4.9% |

Vacancy Rates By Unit Size 2005-2009



| Unit Type | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> |
|----------------|-------------|-------------|-------------|-------------|-------------|
| Efficiency | 5.2% | 2.9% | 4.8% | 5.5% | 4.3% |
| 1 Bedroom | 5.1% | 3.7% | 4.3% | 4.2% | 5.4% |
| 2 Bedroom | 4.3% | 3.9% | 5.1% | 4.2% | 4.6% |
| 3 Bedroom | 4.1% | 5.2% | 4.4% | 4.4% | 4.1% |
| 4 Bedroom Plus | 2.3% | 2.8% | 3.4% | 4.0% | 2.1% |
| All Units | 4.6% | 3.9% | 4.7% | 4.3% | 4.9% |

Turnover Rates

The “Turnover Rate” represents the percentage of rental units that changed tenants from April 1, 2008 through March 31, 2009. Not all of the facilities responding to the survey provided turnover rate information. Therefore, the total number of units reported in the following charts is less than the total number of units reported by all of the facilities responding to the survey.

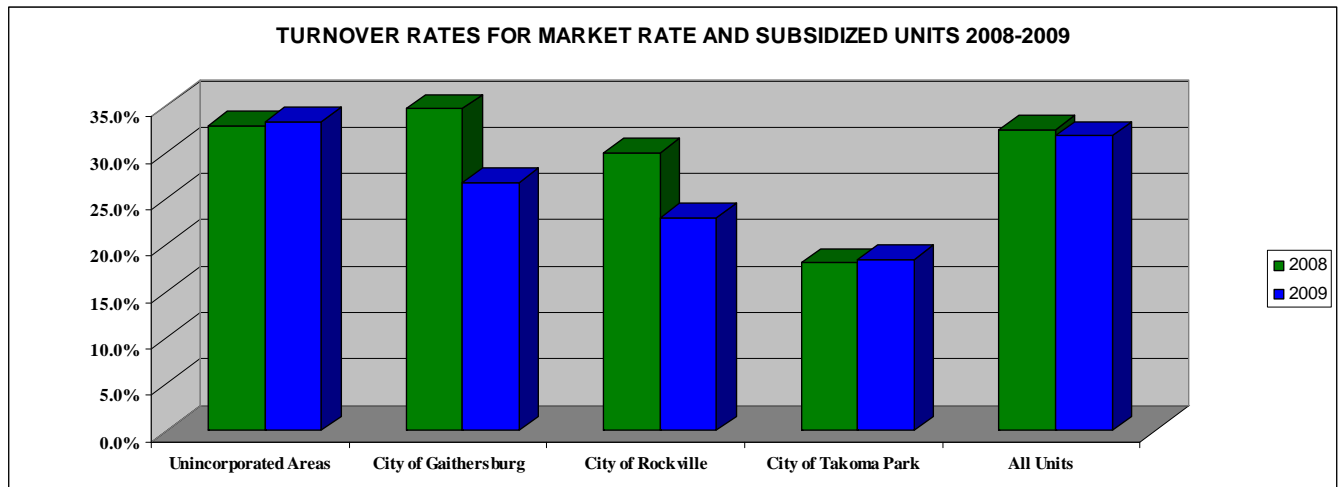
The 2009 countywide turnover rate was 31.8 percent, 0.6 percentage points lower than the 2008 turnover rate of 32.4 percent. The City of Takoma Park had the lowest turnover rate of the jurisdictions and major market areas at 18.4 percent, well below the countywide average. The Bethesda-Chevy Chase market area had lowest average turnover rate of the major market areas at 25.5 percent. The highest turnover rate for the major market areas was found in the Germantown-Gaithersburg market area, with a 40.2 percent turnover rate. Of all the structure types, the garden apartments had the highest turnover rates at 33.2 percent and the townhouse/piggyback units had the lowest turnover rates at 17.6 percent.

Turnover Rates

Market Rate and Subsidized

By Jurisdiction 2008-2009

| | <u>Units Reported</u> | <u>Units Turned Over</u> | <u>Turnover Rate 2009</u> | <u>Turnover Rate 2008</u> |
|-----------------------------|-----------------------|--------------------------|---------------------------|---------------------------|
| <i>Unincorporated Areas</i> | 50,513 | 16,840 | 33.3% | 2.9% |
| City of Gaithersburg | 5,718 | 1,535 | 26.9% | 34.7% |
| City of Rockville | 4,009 | 923 | 23.0% | 30.0% |
| City of Takoma Park | 1,291 | 238 | 18.4% | 18.1% |
| All Units | 61,531 | 19,536 | 31.8% | 32.4% |



Turnover Rates for Market Rate and Subsidized Units

By Unit Size 2009

| | <u>Units Reported</u> | <u>Units Turned Over</u> | <u>Turnover Rate</u> |
|------------------|-----------------------|--------------------------|----------------------|
| Efficiency | 2,659 | 1,048 | 39.4% |
| 1 Bedroom | 23,640 | 7,636 | 32.3% |
| 2 Bedroom | 29,890 | 9,328 | 31.2% |
| 3 Bedroom | 5,222 | 1,480 | 28.3% |
| 4 Bedroom Plus | 120 | 44 | 36.7% |
| All Units | 61,531 | 19,536 | 31.8% |

By Market Area 2009

| | <u>Units Reported</u> | <u>Units Turned Over</u> | <u>Turnover Rate</u> |
|---------------------------|------------------------------|-------------------------------------|-----------------------------|
| Bethesda-Chevy Chase | 6,203 | 1,581 | 25.5% |
| Colesville-White Oak | 8,660 | 3,162 | 36.5% |
| Darnestown-Potomac | 45 | 10 | 22.2% |
| Germantown-Gaithersburg | 14,223 | 5,716 | 40.2% |
| Olney | 132 | 57 | 43.2% |
| Rockville | 9,252 | 2,749 | 29.7% |
| Silver Spring-Takoma Park | 14,870 | 4,161 | 28.0% |
| Upper Montgomery County | 101 | 35 | 34.7% |
| Wheaton | 8,045 | 2,065 | 25.7% |
| All Units | 61,531 | 19,536 | 31.8% |

Turnover Rates for Market Rate units**By Jurisdiction 2008-2009**

| | <u>Units Reported</u> | <u>Units Turned Over</u> | <u>Turnover Rate 2009</u> | <u>Turnover Rate 2008</u> |
|----------------------|------------------------------|-------------------------------------|--------------------------------------|--------------------------------------|
| Unincorporated Areas | 42,189 | 15,781 | 37.4% | 36.5% |
| City of Gaithersburg | 5,279 | 1,519 | 28.8% | 36.0% |
| City of Rockville | 2,912 | 835 | 28.7% | 34.6% |
| City of Takoma Park | 976 | 166 | 17.0% | 16.1% |
| All Units | 51,356 | 18,301 | 35.6% | 36.0% |

Turnover Rates**Market Rate****By Unit Size 2009**

| | <u>Units Reported</u> | <u>Units Turned Over</u> | <u>Turnover Rate</u> |
|----------------|------------------------------|---------------------------------|-----------------------------|
| Efficiency | 2,511 | 1,010 | 40.2% |
| 1 Bedroom | 19,487 | 7,142 | 36.7% |
| 2 Bedroom | 24,946 | 8,707 | 34.9% |
| 3 Bedroom | 4,297 | 1,398 | 32.5% |
| 4 Plus Bedroom | 115 | 44 | 38.3% |
| All Units | 51,356 | 18,301 | 35.6% |

By Market Area 2009

| | <u>Units Reported</u> | <u>Units Turned Over</u> | <u>Turnover Rate</u> |
|---------------------------|------------------------------|-------------------------------------|-----------------------------|
| Bethesda-Chevy Chase | 4,986 | 1,502 | 30.1% |
| Colesville-White Oak | 8,210 | 3,098 | 37.7% |
| Darnestown-Potomac | 45 | 10 | 22.2% |
| Germantown-Gaithersburg | 12,558 | 5,429 | 43.2% |
| Olney | 132 | 57 | 43.2% |
| Rockville | 6,657 | 2,490 | 37.4% |
| Silver Spring-Takoma Park | 12,825 | 3,886 | 30.3% |
| Upper Montgomery County | 77 | 29 | 37.7% |
| Wheaton | 5,866 | 1,800 | 30.7% |
| All Units | 51,356 | 18,301 | 35.6% |

Turnover Rents

A “Turnover Rent” is defined as the rental rate offered to a prospective tenant for a vacant unit as of April 1, 2009. Turnover rents are often referred to as “street rents” and do not necessarily reflect rents paid by current tenants. These rents do not include any rent concessions being offered. All turnover rent information is based upon market rate units only.

The countywide average turnover rent for market rate units was \$1,369 in 2009, an increase of 3.0 percent from 2008. Increases in turnover rents were found in most categories tracked by the survey.

Highlights – Market Rate Survey Units

- Units within the City of Takoma Park reported the lowest rents, averaging \$898. These rents are \$471 below the countywide average. The highest rents were reported in the City of Rockville, averaging \$1,484.
- All bedroom sizes experienced rent increases in the past year. One bedroom units had the lowest increase at 2.2 percent; four bedroom or more units had the highest increase at 5.4 percent.
- Garden apartments had the lowest average rent at \$1,240, \$129 below the countywide average. Townhouse/piggyback buildings had the highest average rent at \$1,663.
- The highest rents among the major market areas were reported in Bethesda-Chevy Chase, averaging \$1,863. The lowest rents reported in a major market area were in the Germantown-Gaithersburg market area, averaging \$1,179, \$190 below the countywide average of \$1,369.
- The Bethesda-Chevy Chase market areas had the highest average increase of the major market areas at 6.4 percent. The Olney and Germantown-Gaithersburg market areas reported the declines of 1.0 percent and 1.3 percent respectively in the average turnover rents.

- The average rent for units with all utilities included was \$1,455, while the average rent for units with no utilities included was lower at \$1,334.
- Rents for units that include only water or only water and one or more, but not all, utilities, varied from a low of \$1,251 for units with some utilities included to a high of \$1,327 for units with only water included.

TABLES/REPORTS

The following tables and reports are provided to document the activities undertaken by the County during the reporting period (federal fiscal year / program year 2009; July 1, 2009 to June 30, 2010):

Tables (see Pages 58 and 59)

Reports (see IDIS Reports - TAB 6)

Narratives and Performance Measurement Objective

Affordable Housing Without Supportive Services

Overall, a significantly high number of Montgomery County residents are burdened by disproportionately high housing costs. There continues to be a priority need for all types of affordable and accessible housing.

Affordability is defined as a rent level equal to or less than 30 percent of household income or a housing purchase price no more than 2.5 times household income.

Nearly one-third of all Montgomery County households reside in garden apartments. Only single-family homes account for more households. Garden apartments are primarily rental units, and are most affordable among the various types of housing in the county. Garden apartments also have the most diverse population. The African-American population accounts for over one quarter of garden apartment residents. This is twice the proportion for the county as a whole. Hispanics also represent a higher percentage of residents of garden apartments than their numbers for the entire county's population.

Only ten percent of the Montgomery County household population lives in high-rises. However, this population, as opposed to residents of garden apartments, is twice as likely to be over the age of 65, and four times as likely to be older than 75. Residents of high-rises are overwhelmingly white, and over 50 percent of these residents have a bachelor's degree or higher. One person households comprise over half of the households residing in high-rises. Almost six out of ten are non-family households. Their median income is 68 percent of the median county income and 29 percent earn under \$30,000 per year. Nearly seven out of ten of high-rise households are renters, and almost half pay in excess of one quarter of their income for housing.

High-rise renter households face a greater threat of shelter poverty than any other group of residents in the county. While garden apartment households also pay a substantial portion of their income for housing, high-rise households are 20 percent more likely to face this situation.

Affordable Housing With Supportive Services

In addition to the need for affordable housing for low-income County residents not in need of supportive services, there is the added need for housing that is affordable and accessible that meets the supportive services needs of persons with physical or developmental disabilities, those who are elderly, those who are victims of abuse, and those with chronic mental illness or addictions. Funding to nonprofit organizations to purchase properties for use as group homes is one way to assist in meeting this need, but additional strategies need to be pursued to address this priority need. The **Report and Recommendations of the Affordable Housing Task Force** (March 2008) referenced earlier in this document calls for prioritizing the needs with the “neediest” being those who are homeless and those with special needs. Actions taken as a result of this report have been included in this document.

Non-Housing Community Development

Montgomery County also places a high priority on cultivating a positive business climate through incentives to businesses which will result in job creation and retention, including support through economic and commercial revitalization activities. Capital projects including acquisition, renovation, and construction of public facilities and infrastructure improvements are components of this overall effort. Public services that support expansion of economic opportunities for persons of low and moderate-income and those with special needs, including employment, employment training, and other supportive services are a high priority as well. The County’s Department of Economic Development has been successful in attracting/retaining business in a very competitive environment.

Assessment of Five Year Goals and Objectives

The County's Capital Improvement and Public Services programs identify specific activities that will be undertaken to meet priority needs. These activities relate to goals, strategies and outcomes and reflect the vision and guiding principles of the county.

Some of the activities identified in the Capital Improvement and Public Services programs are activities that will be undertaken with federal funds provided upon approval of this Consolidated Plan by the United States Department of Housing and Urban Development. The Consolidated Plan identifies and elaborates on the following strategies:

The Consolidated Plan discusses broad strategies for meeting the gaps identified between existing resources and identified needs. The Plan identifies and elaborates on the following strategies:

Target resources to achieve the broadest and most effective solutions to the problems of our most vulnerable residents, including the homeless and other populations with special needs;

Increase efficiency in service delivery for housing and community development-related programs;

Eliminate housing discrimination and barriers (legislative and other) to the provision of affordable, accessible housing;

Encourage self-sufficiency and long-term resolution of problems by focusing limited resources to address community concerns comprehensively at the neighborhood level;

Employ both public and private resources to preserve and create a variety of affordable housing options to meet the needs of the county=s low and moderate income and special needs populations. Work to encourage accessibility in standard design;

Set realistic goals based on available resources and current economic and social conditions; and,

Continue economic development efforts to meet state initiatives and the current needs of businesses in the county.

The Annual Action Plan for the Fiscal Year July 1, 2009 through June 30, 2010 included herein notes the activities that were funded with CDBG, HOME and ESG dollars and provides specific information about each.

Annual Affordable Housing Production Goals

Need for Affordable Housing

Montgomery County meets its affordable housing needs through a number of programs. The County and the Housing Opportunities Commission are using federal, state, and local programs and funding for the provision of affordable housing. In order to address the production needs identified in the Housing Policy, the County has established annual goals for affordable housing production and preservation.

Each year 3,750 new households are likely to be formed in the county. At-place employment increases also add to the demand for housing in the county. The annual 4,000-unit forecast for housing production appears to meet most of the demand that may be expected for new market rate housing in the county.

The current income distribution of households in the county shows that about 25 percent of county households earn less than \$40,000. At 30 percent of income for housing costs, \$40,000 can support a rent plus utility payment of \$1,000 per month. Because rents are rapidly escalating in the county, we foresee near- and long-term shortfalls of affordable housing units.

To continue to serve households earning \$40,000 or less, the follow production and preservation goals have been established:

| Affordable Housing Goals (units) | | | | |
|----------------------------------|--------|--------|--------|--------|
| Goal Type | FY2009 | FY2010 | FY2011 | FY2012 |
| Preservation | 613 | 1,074 | 1,456 | 1,569 |
| Production | 994 | 941 | 1,351 | 1,225 |
| Total | 1,607 | 2,015 | 2,807 | 2,794 |

Achievements on meeting affordable housing goals funded from all sources:

| Affordable Housing Units Preserved and Produced | | | | |
|---|--------|--------|--------|--------|
| Goal Type | FY2009 | FY2010 | FY2011 | FY2012 |
| Preservation | 613 | 1,284 | | |
| Production | 976 | 1,514 | | |
| Total | 1,589 | 2,798 | | |

Evaluation of Performance

Housing

The inflating of the housing “bubble” through 2007 put dramatic upward pressure on housing costs. Despite some easing in rents and home prices in the past two years, housing in Montgomery County still suffers from a serious affordability gap. From July 1, 2009 through June 30, 2010, \$2,737,857, or 43% of the CDBG monies disbursed by the County, was used to preserve and expand affordable housing.

The Housing Initiative Fund (HIF)

A locally funded housing trust fund that receives revenue from a variety of sources including loan repayments and a dedicated payment of 2.5 percent of the County's Property Tax revenue. Since its inception in 1988, the HIF has been administered by the County's Department of Housing and Community Affairs (DHCA). In the federal fiscal year/program year 2009 the County committed \$57.8 million in funding to the HIF.

HIF funding helped produce 916 housing units in FY10, 630 of which are affordable. A complete description of the HIF program can be found on the County's website here: http://www.montgomerycountymd.gov/dhctmpl.asp?url=/content/DHCA/housing/housing_P/housing_p.asp.

Actions Taken to Address the Needs of the Homeless

In order to deal with the problem of homelessness, the County has set up objectives and a work program to facilitate a “tiered” continuum of care approach that addresses gaps in service and assists the homeless in achieving the greatest degree of self-sufficiency possible within the limitations presented. A “continuum of care” is a phrase used to describe a strategy which calls for the coordination of shelter and services as a way of resolving the problems which cause families and individuals to become homeless. It addresses both the housing and other personal rehabilitative needs of homeless individuals and families.

These programs operate under the auspices of several dozen nonprofit and government agencies. The Continuum of Care report provided in the latest Con Plan lists the total of emergency shelter beds, transitional housing beds, and permanent supportive housing beds serving families and individuals.

There are many diverse sources of funding supporting Montgomery County's homeless service continuum. In addition, to the support received from HUD, 5.79 millions in other

federal, state, and local government funds were allocated to support Montgomery County's continuum of care in Program Year 2009 (FY10 – July1, 2009 to June 30, 2010). In addition a network of volunteers contributed in excess of \$2 million in services and in-kind donations.

Members of the Montgomery County Coalition for the Homeless in collaboration with the Homeless Policy Development Committee implemented a multi-pronged approach to refine the County's continuum of care strategy. It included designing data collection instruments and strategies after review and modification of previous efforts, distributing surveys to consumers, provider agencies and other primary stakeholders to facilitate needs assessments, updating Montgomery County's inventory of homeless shelters, supportive housing and services and convening meetings to discuss how to best enhance the continuum. Survey respondents identified and ranked gaps in the current homeless service system. The top ten needs identified were as follows:

- 1- A place of their own with affordable rent
- 2- Regular dental care
- 3- Help in finding a job
- 4- Job training
- 5- A better job then the current one
- 6- Assistance with transportation
- 7- Eye examination or new glasses
- 8- Assistance in getting prescriptions filled
- 9- Access to doctors when sick
- 10- Shelter when sick

The established tradition of public-private partnership in Montgomery County continues to serve as the foundation for addressing the multifaceted problems of homelessness. The three-tiered system, itself, has been established as a partnership between homeless persons and the agencies which provide services to them and is based on the provision of a continuum of care and the compliance of homeless persons entering the system.

The three tiered system functions as follows. The first tier operates through the Congregation Based Shelter (CBS) system. Case management is provided, with screening for participation by the County's Health and Human Services staff. After admission into Tier I, participants receive physical health, mental health, and addiction assessments. The second Tier, operating through transitional shelters, focuses on treatment and rehabilitation and accepts Tier I participants as space is available. The Tier II facilities serve specific subpopulations of homeless persons and are operate by non-profit organizations under contract with the County. The third Tier operating through a variety of housing programs throughout the County and provides a range of residential options for persons who have become self-sufficient. There are different levels of supportive services offered by the Tier III programs to best address the needs of the persons involved.

A number of projects funded with CDBG, ESG, and HOME funds were used to serve those who were homeless or threatened with homelessness. Activities funded included providing intensive case management and employment services to low-income refugee families, homeless prevention assistance through small payments for rent, utilities, and security deposits, helping homeless residents achieve independence through employment, and by relocating people from homeless shelters to permanent, subsidized housing.

Progress in Meeting Affordable Housing Objectives

As noted earlier in this report, the County has been fortunate to be able to meet or exceed the goals it has established for affordable housing development. The MPDU Program continues to be a national model for inclusion of affordable units throughout the County. A total of 94 units were created as MPDUs during the year at no cost to the County. Additionally, 14 units expiring from the program were acquired by HOC and non-profits to remain as affordable housing. Ongoing rehabilitation, weatherization and home replacement programs stabilize and slow down the aging process of existing units. HOME Program funds have created units for special populations, like the frail elderly, through new construction.

Six hundred and thirty units were financed using a combination of HUD money, the County's Housing Initiative Fund, and other funds. Housing Unlimited purchased its 44th house in June 2010 and Montgomery Housing Partnership has over one hundred homes (mainly through MPDU acquisition). The Housing Opportunities Commission (HOC) has acquired over one thousand five hundred MPDU's that are made available to income eligible home seekers. In each of these projects the County has worked with "partners" to make them feasible.

Relationship of the Use of CDBG Funds to Priorities and Objectives

As documented in this report the County has established an overall goal of community improvement. Through programs that coordinate code enforcement and housing rehabilitation programs our efforts have become increasingly focused on specific neighborhoods and more comprehensive in addressing community needs and stated goals.

Program Objectives and Experience to Date

There have been no basic changes in our program. Modifications have only been made in order to improve the delivery of services. Experience has taught us that establishing goals and sticking with them can be a difficult task, but unless you are willing to persevere through the difficult stages no progress will be made as you will constantly be restarting the engine to attempt to get going in another direction.

Assessment of Affirmative Marketing and Outreach Efforts in the Home Program

All developers and property managers of HOME-assisted housing are required to adopt the County's plan, or a substantially equivalent plan of their own. The County conducts ongoing reviews of each housing development's compliance with its plan throughout the year. As part of this review, the County reviews the development's marketing materials to ensure that the appropriate FHEO logos and statements appear. The County also reviews the content and placement of marketing advertisements to ensure that the development is marketed to those minority groups least likely to apply for residence in the development.

Progress in Obtaining Other Resources to Leverage Public Funds

The county signed grants and loans to nonprofit developers, for-profit developers, property owners, and HOC to support efforts to build and renovate affordable housing. For

every dollar of local funding spent, the Housing Initiative Fund (HIF) was able to leverage five dollars in resources from private, federal, and state sources. As noted earlier this leverage factor is down from a historic perspective as all projects have become more expensive and funding availability has been reduced.

Progress In Meeting Affordable Housing Objectives

A County-funded Rehabilitation Program for Small Rental Properties continues to operate. This money is used to correct housing code violations, make necessary safety repairs, extend the useful life of the property, enhance the appearance of neighborhoods, and preserve publicly-owned affordable housing. The goal of this effort is to prevent and correct the deterioration of the County's aging rental stock.

In addition to the Housing Opportunities Commission (HOC), which has acquired MPDU's and provided rental assistance, many nonprofit groups are busy in the County.

Housing Unlimited, Inc. has acquired group homes using a combination of County funds, HUD funds, private financing and its own resources. This Community Housing Development Organization (CHDO), as of June 2010, operates 44 group homes in the County.

The Montgomery Housing Partnership (MHP) continues to acquire MPDUs in single family neighborhoods and rents these units to lower income families. MHP now owns over 100 MPDUs.

County Executive Leggett, through the establishment of the Affordable Housing Task Force, has made affordable housing one of his highest priorities, especially housing serving disadvantaged persons and the elderly.

Performance Measurement

Under the leadership of the County Executive, Isiah Leggett, elected in November 2006, the County initiated a new program called CountyStat. This program insures:

- Improved performance through greater accountability
- Better transparency into County challenges and successes
- Apply data to policy, operations, and management decisions
- Ensures decisions are implemented through relentless follow- up

CountyStat Quarterly Update Reports

These reports are a series of regular quarterly reports published by the Montgomery County Executive's CountyStat Initiative. These reports focus on the major themes of CountyStat and provide a high-level review of activities and progress made during this period. The following is a link to the reports –

<http://www.montgomerycountymd.gov/mcgtmpl.asp?url=/content/exec/stat/index.asp>

CONSOLIDATED ACTION PLAN PERFORMANCE MEASUREMENT OBJECTIVES

I. Suitable Living Environment

A. Outcome: Availability/Accessibility

Outcome Statements:

- *300 youth/children will have access to services that may include tutoring, mentoring and enrichment activities for the purpose of providing a suitable living environment.
- *350 elderly persons will have access to services which may include feeding programs, transportation, health services and job skills training for the purpose of providing a suitable living environment.
- *300 people with mental and developmental disabilities will have access to services that may include life and job skills development for the purpose of creating a suitable living environment.
- *3920 people will have access to social services that may include referrals for basic needs, healthcare, life and job skills training, and legal services for the purpose of providing a suitable living environment.
- *545 persons will have access to shelter and other support services for the homeless for the purpose of providing a suitable living environment.
- *2900 persons will have access to health care services for the purpose of providing a suitable living environment..

B. Outcome: Sustainability

- 5 communities/neighborhoods will have activities and services that may include streetscape enhancement, pedestrian links, and building and infrastructure improvements to create sustainability for the purpose of creating a suitable living environment.

II. Decent Housing

A. Outcome: Availability/Accessibility

- 60 households will receive housing rehabilitation loans and services that improve accessibility for the purpose of providing decent housing.
- 50 persons will have access to services that address impediments to fair housing for the purpose of providing decent housing.
- 10 new permanent supportive housing units for persons with special needs will be constructed or acquired that improve accessibility for the purpose of providing decent housing.

B. Outcome: Affordability

- 2 households will receive downpayment and closing cost assistance for the purpose of creating decent affordable housing.
- 35 persons will receive rental and utility assistance for the purpose of creating decent affordable housing and prevent homelessness
- 100 affordable housing units (Housing Production & Rehabilitation HOME and CHDO Housing Production and Public Housing Modernization) of housing will be created or preserved through work of CHDOs, public housing authority, and/or other private entities for the purpose of creating decent affordable housing for LMI households

III. Economic Opportunity

A. Sustainability

- funds will be used to implement a variety of projects on both the county and city levels that were initiated as a result of receiving CDBG, HOME and ESG money and leveraging it with County, State and private funds.

Assessment of Efforts in Carrying Out Planned Actions

The County pursued all resources (including state and private) that it stated it would. All requests for certifications of consistency for HUD programs were provided in a fair and impartial manner. No action, or willful inaction, by the County hindered the implementation of the Consolidated Plan.

Table 1C
Summary of Specific Homeless/Special Needs Objectives
(Table 1A/1B Continuation Sheet)

| Obj # | Specific Objectives | Performance Measure | Expected Units | Actual Units |
|------------------|--|--------------------------------|---------------------------|-------------------------|
| | Homeless Objectives | | | |
| | Develop additional permanent supportive housing for the chronically homeless | Hsg units | 500 | |
| | Special Needs Objectives | | | |
| | Encourage housing for diverse residential needs, including housing for the elderly, for persons with disabilities, persons with mental illness and persons transitioning from homelessness | Hsg units | | |
| | Special needs housing production | Hsg units | 500 | |
| | Elderly and Assisted Housing Units | Hsg units | 1,250 | |

Table 2C
Summary of Specific Housing/Community Development Objectives
 (Table 2A/2B Continuation Sheet)

| Obj # | Specific Objectives | Performance Measure | Expected Units | Actual Units |
|--------------|--|----------------------------|-----------------------|---------------------|
| 1 | Rental Housing Objectives | | | |
| | Create and preserve rental housing | units | 2,660 | |
| 2 | Owner Housing Objectives | | | |
| | Create and preserve ownership | units | 230 | |
| 3 | Community Development Objectives | | | |
| | Improve quality of life for residents | projects | 12 | |
| 4 | Infrastructure Objectives | | | |
| | Repair, replace deteriorating infrastructure | projects | 10 | |
| 5 | Public Facilities Objectives | | | |
| | Help update/maintain public facilities | projects | 5 | |
| 6 | Public Services Objectives | | | |
| | Provide variety of services for low/mod income residents | Persons | 5,000 | |
| 7 | Economic Development Objectives | | | |
| | Restore older commercial areas of County | businesses | 15 | |
| | Other Objectives | | | |